CENTAMIN

Annual Report 2019

INVESTING FOR THE FUTURE

CLEAR STRATEGY
MATERIAL UPSIDE
STAKEHOLDER RETURNS

FROM DISCOVERY TO LEADING SHAREHOLDER RETURNS

> “CENTAMIN’S AMBITION IS TO BE THE PREMIUM LONDON LISTED GOLD COMPANY, MAXIMISING SHAREHOLDER VALUE THROUGH RESPONSIBLE MINING MULTIPLE HIGH-QUALITY, LONG-LIFE ASSETS.”
>
> **Jim Rutherford**
> **Deputy Chairman**

In order to prosper, it is important for a company to work hand-in-hand with the community, returning value to society as well as its owners and partners. This is the tenet by which Centamin has operated for the past 25 years, building a responsible culture that values and supports people; creating jobs, infrastructure and opportunity, as well as developing our assets and delivering strong shareholder returns.

2019 marked the tenth year of commercial production at our principal asset, the Sukari Gold Mine, and what we believe will be the first of many years to come for Centamin and modern mining in Egypt’s mineral-rich Eastern Desert.

OVERVIEW
HIGHLIGHTS

Centamin has strengthened its leadership, delivering on an ambitious succession programme reshaping the Board and senior management teams

OPERATIONAL

GOLD PRODUCTION
(ounces)
2018: 472,418oz
480,528oz

CASH COSTS OF PRODUCTION(2)
(per ounces produced)
2018: US$624/oz
US$699/oz

ALL-IN SUSTAINING COSTS ("AISC")(2)
(per ounces sold)
2018: US$884/oz
US$943/oz

GROUP MINERAL RESOURCE
(Moz)
2018: 15.7Moz
15.3Moz

SUSTAINABILITY

GROUP LOST TIME INJURY FREQUENCY RATE
(per 200,000 working hours) 2018: 0.06
0.29

ENVIRONMENTAL INCIDENTS
(major incidents)
2018: Zero
Zero

WATER RECYCLED
(% of seawater reused in closed circuit)
2018: 39%
76%

TOTAL DIRECT WORKFORCE (persons; (% employed locally to country of operation))
2018: 1,497 (95%)
1,542 (95%)

FINANCIAL

REVENUE
(US$m)
2018: US$603m
US$652m

CASH AND LIQUID ASSETS(2)
(US$m)
2018: US$322m
US$349M

EBITDA(2)
(US$m)
2018: US$258m
US$284M

FREE CASH FLOW(2)
(US$m)
2018: US$63m
US$74m

PROFIT AFTER TAX
(US$m)
2018: US$153m
US$173M

TOTAL DIVIDEND
(US$m)
2018: US$64m
US$116M(1)

(1) On 21 April 2020, the 2019 proposed final dividend was replaced with the declared 2020 first interim dividend of the same amount.

(2) Cash cost of production, AISC, EBITDA, Cash, bullion on hand, gold sales receivables, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are non-GAAP measures and are defined in the Financial Review non-GAAP measures section.

OUR STRATEGIC FRAMEWORK

OUR VISION

To **create** opportunity through gold mining.

OUR PURPOSE

To create lasting, mutual benefits for all our stakeholders, including contributing to the economic development of our host countries and driving an improved standard of living.

OUR STAKEHOLDERS

Strong long-term relationships are paramount to the success of the business. We seek to create lasting value for our stakeholders throughout the business and commodity cycle.

- Employees
- Communities
- Suppliers, Contractors & Refiner
- Governments
- Shareholders

▶ Read more about how we manage stakeholder relationships on page 24

We feel an enormous responsibility to our stakeholders, to create lasting mutual benefits for our stakeholders through good corporate citizenship and operational performance.

OUR VALUES

Our values **guide our day-to-day workplace conduct** and help us to **effectively deliver on our strategy**.

Combined with our operational standards this provides the foundation of our culture.

- PROTECT
- INVEST
- LEARN
- GROW
- EDUCATE

▶ Read more about our values on page 86

OUR BUSINESS MODEL

We seek to **create long-term value** through safe, innovative and responsible gold exploration, development and production. The Group's business model – centred around our high-quality, cost-advantaged asset base and sustainable reinvestment in growth through exploration – gives us confidence in continuing to deliver superior shareholder returns as well as generate value for all our stakeholders.

▶ Read more about how we create value on page 22

OUR PROCESSES & CONTROLS

Strong governance and effective risk management underpin everything we do. Decision-making begins with responsible conduct.

▶ Read more about our risk management process on page 68
▶ Read more about our Board and governance procedures on page 98

> "AT CENTAMIN, EVERYONE IS A SAFETY LEADER WITH THE GOAL TO COLLECTIVELY CREATE AN ENVIRONMENT WHERE ALL EMPLOYEES ARE EMPOWERED TO MAKE CHANGES, FIX PROBLEMS AND RESPOND TO SAFETY ISSUES AS THEY ARISE."

OUR STRATEGY

Maximise free cash flow generation from responsible mining, delivering long-term stakeholder returns.

- Maximise the value of our asset base
- Value over volume by focusing on improving margins and ounce profitability
- Stringent cost management and disciplined capital allocation, providing financial flexibility
- Promote further growth both organically and through value-accretive opportunities
- Maintain strong social and environmental license to operate

ASSET QUALITY

FINANCIAL FLEXIBILITY

SUSTAINABILITY

STAKEHOLDER RETURNS

ACTIVE GROWTH PIPELINE

▶ Read more about our strategic progress on page 28

OUR OPERATIONAL STANDARDS

Honesty

Innovation

Dependability

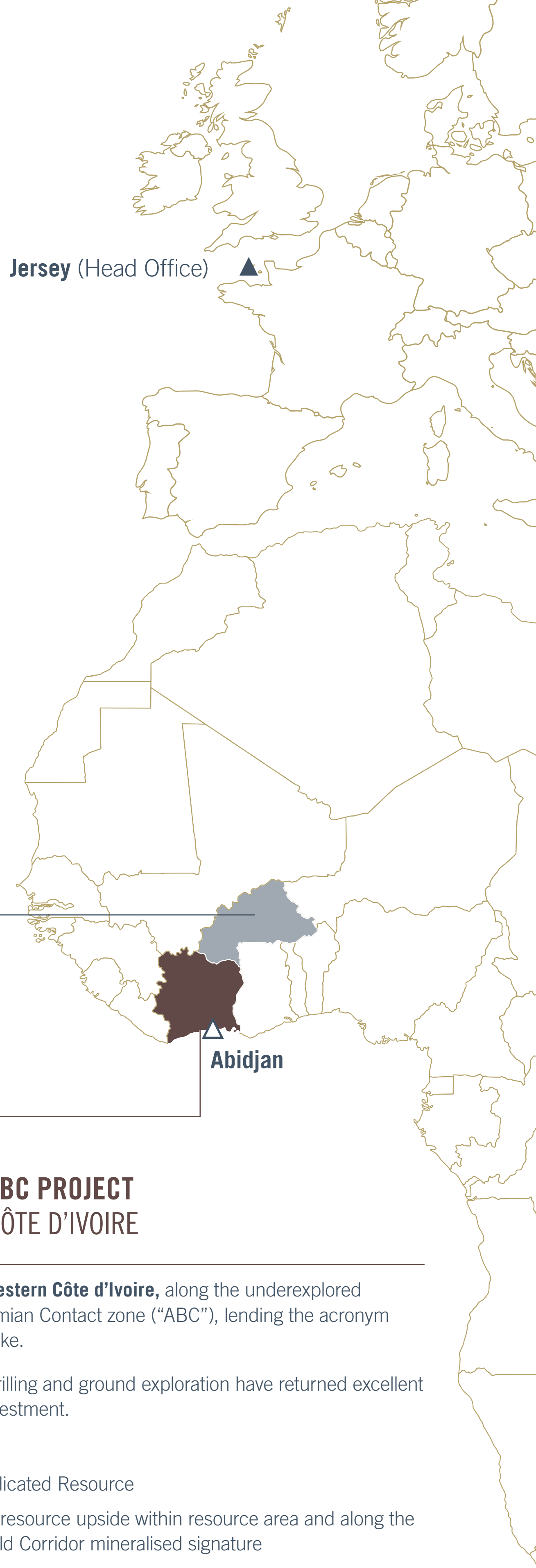
Courage

Respect

Teamwork

▶ Read how we are instilling and monitoring our culture on pages 90 and 91

WORLD CLASS MINE WITH VALUE DRIVEN GROWTH PIPELINE



BATIE WEST PROJECT
BURKINA FASO

Located on the southeast border of Burkina Faso

Key Facts

- Total 593km^2 licence holding; including exploitation permit over 64km^2
- 1.92Moz Measured & Indicated Resource
- Internal scoping study under review
- Limited fieldwork in 2019

DOROPO PROJECT
CÔTE D'IVOIRE

Located on the northeast border of Côte d'Ivoire. Exploration has delivered year-on-year Resource expansion, while improving the geological blueprint across this highly prospective land package.

Key Facts

- 2.44Moz Measured & Indicated Resource with significant resource upside potential from the Kilosegui discovery
- 1,930km^2 licence holding
- Mining: current resource suitable for open pit
- Processing: undergoing viability studies for CIL processing plant
- Economic feasibility studies progressing in line with resource growth

ABC PROJECT
CÔTE D'IVOIRE

Located in western Côte d'Ivoire, along the underexplored Archean-Birimian Contact zone ("ABC"), lending the acronym to its namesake.

Systematic drilling and ground exploration have returned excellent results on investment.

Key Facts

- 650koz Indicated Resource
- Significant resource upside within resource area and along the Lolosso Gold Corridor mineralised signature
- 750Km^2 licence holding

SUKARI GOLD MINE
EGYPT

Celebrating ten years of commercial production, Sukari has produced 4.0 million ounces, generating US$730 million in free cash flow and returned in excess of US$570 million to shareholders to date

Key Facts

- Open pit and underground mine
- 12.5Mtpa processing plant and two auxiliary dump leach pads
- 15.1.0Moz Group Measured & Indicated Resource (incl. reserves)
- 7.0Moz total Mineral Reserve, underpinning at least a 15-year life of mine at Sukari
- 188Mt at a grade of 1.1g/t in Sukari Reserves
- 160km^2 tenement with substantial resource upside

SUKARI REGIONAL DEVELOPMENT
EGYPT

> "IMPRESSIVE LOGISTICS. SCIENTIFIC EXPERTISE. INNOVATIVE TECHNOLOGY. GOLD MAY HAVE AN ANCIENT HISTORY HERE. BUT THIS IS 21ST CENTURY MINING AT WORK."

Visitor,
Sukari Gold Mine November 2019

Operating mine | Development | Exploration | Advanced Exploration | Head Office | Regional Office

MAXIMISING FUTURE VALUE

“THE SUKARI MINE HAS PROVIDED SUPPORT TO THE MARSA ALAM CITY COUNCIL, HEALTH AND EDUCATIONAL SECTOR AND OUR YOUTH CENTRE. THIS HAS NOT BEEN LIMITED TO LOGISTICAL AND FINANCIAL CONTRIBUTION BUT INTERACTION AND GUIDANCE FROM PERSONNEL AT MANY LEVELS OF THE MINE, INCLUDING THE COUNTRY MANAGER, MR YOUSEF EL-RAGHY AND INDIVIDUALS FROM THE SUSTAINABILITY, PROJECTS AND MAINTENANCE DEPARTMENTS, AND SEVERAL OTHERS, IMPROVING AND ENABLING THE DEVELOPMENT OF OUR CITY.”

Mr Said Hassanein,
Chairman of the Marsa Alam Youth Centre

We are well positioned amongst intermediate gold producers to generate significant capital returns for shareholders, by nurturing our resources and relationships, optimising our existing operations and investing in the future.

- Centamin is an established intermediate gold producer, with premium listings on both the London Stock Exchange and Toronto Stock Exchange. We are a FTSE 250 and FTSE4Good constituent. 100% of our shares are freely traded at an average daily turnover in excess of US$10 million in 2019.
- We discovered, developed and operate the world class Sukari Gold Mine, which has a current Life Of Mine (“LOM”) of 15 years and with significant resource upside potential from within the 160km^2 tenement, including the Horus Deeps discovery in 2019.
- Our focus is on maximising free cash flow[(1)] through responsible mining of profitable ounces. Comprehensive life of asset review is underway, including independent optimisation studies across all sections of the operation.
- We have recently transformed the leadership team, expanding the expertise, to optimally position the Company for the next decade, or “Sukari Phase 2”.
- Unique amongst its peers, Centamin has no debt, no hedging, no streaming and cash and liquid assets[(1)] of US$379.2 million, as at 31 March 2020[(2)].
- Our robust financial strategy and operational performance supports our industry leading sustainable dividend stream, with 2019 being the sixth consecutive year returning surplus cash to shareholders.
- Strong license to operate with environmental, social and governance at the core of our decision-making. Near-term plans to construct the largest solar solution of its kind to power a gold processing plant, providing a partial power solution, reducing demand for fossil fuels. Substantial social and economic contribution, including US$474 million returned to the Egyptian government in profit share and royalty payments to date.

RELIABLE DIVIDEND STREAM

Industry leading dividend (by yield and per ounce produced)

Low-cost, long-life asset supports a sustainable long-term shareholder and stakeholder dividend stream

US$570m distributed to Centamin shareholders

US$474m distributed in profit share and royalties to Egyptian government

ESTABLISHED FOUNDATION

Sukari is a Top Ten Tier 1 asset(3)

Ten year operational track record

25 year exploration driven growth

Life of mine > 15 years

Costs in the lower half of the cost curve

Strong political risk management

ROBUST FINANCIAL STRATEGY

Strong, flexible balance sheet

No debt; no hedging

Self-funded organic growth

Re-investment to sustain and grow the core asset for the future

Stringent cost management

Significant direct investment in operating country

RESPONSIBLE CORPORATE CITIZEN

Industry leading safety record

Strong emphasis on workplace training and development

Core ESG(4) initiatives in motion

Committed to achieving ESG best practices

GROWTH THROUGHOUT THE VALUE CHAIN

Resource upside across the whole asset base

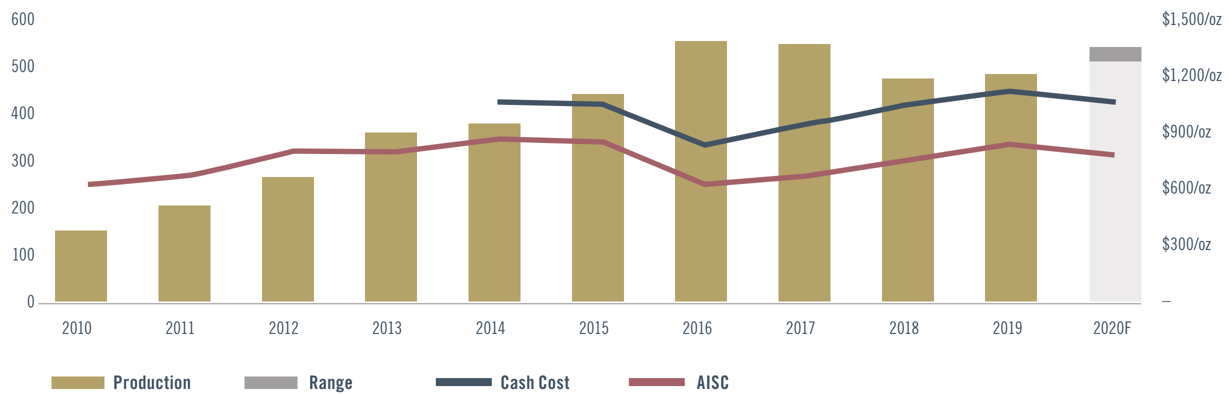
Low-capital intensive development

Maximising operational efficiencies

Improving free cash flow(1) generation through responsible operation

A STRONG TRACK RECORD(5)

Production (KOZ) & COST PROFILE (US$/OZ)



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(2) Unaudited, as per Q1 2020 Report, published 21 April 2020. Audited cash and liquid assets of US$348.9 million as at 31 December 2019

(3) Source: SP Global, based on 500koz pa and greater than ten-year Life Of Mine ("LOM")

(4) ESG is an abbreviation for environmental, social and governance

(5) 2020 guidance as per Q1 2020 Report, published 21 April 2020.

CHAIRMAN'S STATEMENT

We continue to maintain focus on cost discipline and achieving greater operational efficiency, as the key margin drivers.

"CENTAMIN HAS DEMONSTRATED WHAT A CLEAR PLAN, PASSION AND HARD WORK CAN ACHIEVE AS WE HAVE DISCOVERED, DEVELOPED, OPERATED AND GROWN SUKARI INTO A WORLD CLASS OPERATION AND A FIRST OF ITS KIND IN EGYPT. WE DO NOT TAKE FOR GRANTED OUR ABILITY TO KEEP OPERATING AND WE TAKE A RESPONSIVE AND RESPONSIBLE APPROACH TO OUR BUSINESS WHILST PRIORITISING THE HEALTH AND SAFETY OF WORKERS, FAMILIES AND COMMUNITIES."

JOSEF EL-RAGHY
CHAIRMAN

Dear Shareholders,

On behalf of the Centamin Board, I would like to present to you the 2019 Annual Report.

In the past few months, the world has come together to try to safely navigate the threats presented by the coronavirus ("COVID-19") pandemic. We hope that you and your loved ones are safe and well as we all adapt to living in these unprecedented times.

People

Centamin's strategy is to maximise free cash flow generation through responsible mining, delivering long-term stakeholder returns. Successful execution of our strategy starts with our people. The Company has undergone a tremendous step-change in leadership, reflected in the strong performance at the end of 2019 and the solid start to 2020. In the past two years, investing in people has been a priority for the Company, including attracting high-calibre individuals and ongoing development of our existing workforce, to further improve our technical expertise.

Though such transformational change has occasionally brought some periods of inconsistency as individuals and ideas bed into our structure and culture, Centamin is pleased that the workforce recruitment is largely complete and now the emphasis is on embracing innovation and adopting technologies suitable for our business.

Our number one priority is the health, safety and wellbeing of our direct and indirect workforce, followed by our host communities. Whilst we are pleased to report there are no cases of COVID-19 on-site and operations have been largely uninterrupted, there remains much uncertainty around true impacts and duration. Centamin is committed to operating in line with our strict corporate response plans and heightened measures for as long as required to keep our people safe and operations secure.

Governance

Centamin has a strong and diverse Board. As the Company positions itself for the next decade of growth, we have delivered against the ambitious Board succession programme announced in 2018, ensuring we have the right composition of individuals. This has been transformational, including seven Board appointments and five Board retirements. In 2019, we were delighted to appoint Dr Sally Eyre (10 April 2019), Dr Catharine Farrow (2 September 2019), Marna Cloete (2 September 2019) and in 2020, James “Jim” Rutherford (effective 1 January 2020) as independent Non-Executive Directors.

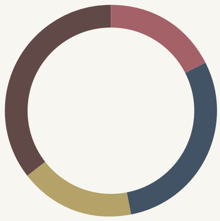
Targeted succession remains at the forefront in 2020 and on 6 April 2020 it was a great pleasure to welcome Martin Horgan as your new Chief Executive Officer (“CEO”), concluding a competitive six-month recruitment process. Martin brings not only excellent technical, commercial and financial experience but also strong operational and leadership skills. Combined with his deep knowledge and understanding of gold mining across Africa, I believe that he will make an invaluable contribution to the Company.

At the upcoming 2020 AGM on 29 June, completing their nine-year tenures, Non-Executive Directors Gordon “Ed” Haslam and Mark Arnesen will not stand for re-election. Their devoted service has been of significant value to Centamin and to me personally as there have been many challenges on both a corporate and personal level that they have guided me through. Ed brought a wealth of crucial Board experience, making him a truly dependable Deputy Chairman, providing wise counsel and support when required. Mark’s vast experience in the resource industry has been invaluable in shaping and mentoring the finance team as we transformed from a small explorer to a sizeable gold producer. He has committed his time and energy well in excess of what is traditionally required of a non-executive director. I sincerely thank them both for their contributions.

Furthermore, I would like to announce that I, Josef El-Raghy, will not be standing for re-election at the 2020 AGM. It has been an honour and pleasure to serve as a director of your Company for the last 18 years. Centamin is well placed for the next phase of growth, and I have all the confidence in Jim Rutherford, who will step into the role of Chairman following the 2020 AGM, to guide this Company to even greater success.

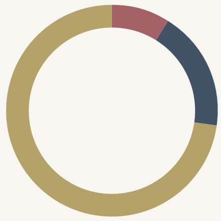
Jim and I have worked closely together during the last few months, completing a comprehensive handover process. Jim comes with over 25 years’ experience in investment management, investment banking and a multitude of other capital market skills, along with a deep understanding of the global mining industry. His independent views will provide additional value to the evolved Board.

BOARD SKILLS



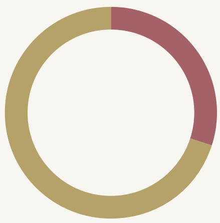
Capital Markets	3
Legal & Finance	5
M&A Experience	3
Mining Industry	6

BALANCE OF THE BOARD



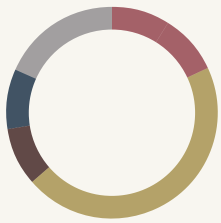
Non-Executive Director	1
Executive Directors	2
Independent Non-Executive Directors	8

BOARD MEMBERS BY GENDER



Female	3
Male	7

BOARD MEMBERS BY NATIONALITY



Australian	2
British	5
Canadian	1
Egyptian	1
South African	2

There were some key Executive changes in 2019. Our longstanding colleague, Andrew Pardey, stepped down as CEO in October. His eleven-year tenure was instrumental in placing Centamin where it is today. Andrew joined us as Sukari General Manager, working under Trevor Schultz in building Egypt's first modern gold mine. Present at the first gold pour, Andrew led his team through growth and expansion to the Tier 1 gold operation it is today. Along his journey he progressed to Chief Operating Officer ("COO") and finally CEO. Thank you, Andrew for all your hard work and dedication.

Following Andrew's retirement, Ross Jerrard, Chief Financial Officer ("CFO"), was appointed interim CEO. Ross provided excellent leadership, keeping Centamin focused during challenging circumstances, as we navigated an unsolicited corporate approach and the ongoing global pandemic. Ross's calm and measured management is a valued asset to the Company. Following Martin's appointment, Ross is focused on his role and responsibilities as CFO and Executive Director on the Board.

Prioritising Stakeholders

Collectively we have developed, operated and grown Sukari into a world class operation and a first of its kind in Egypt. This success underpins Centamin's industry leading shareholder returns and is the foundation of local employment, direct financial and infrastructure investment in Egypt, as well as to our developing hubs in Côte d'Ivoire and Burkina Faso.

Our performance in 2019 has seen the Company mature and consolidate its position as one devoted to creating opportunity through gold mining. Gold production was 480,528 ounces, broadly in line with the lower end of guidance (490,000 ounces). Strong cost management and disciplined capital allocation delivered AISC of US$943 per ounce sold, comfortably within our guidance range. The Group generated strong free cash flow of US$74.3 million, a 17% improvement on 2018.

On 14 January, announced in the Q4 2019 Results, the Board proposed a final 6 US cent per share dividend, bringing the 2019 total dividend to 10 US cents per share which equates to returning US$115.8 million to shareholders of surplus cash. This is an 82% increase on the 2018 total dividend. Our ability to make such strong returns for our shareholders lies in the core strategy of putting our stakeholders first, a strong balance sheet and an effective robust financial strategy.

Given the unprecedented global situation with COVID-19, regulators, governments and public health authorities have issued varying directives which have impacted the timing and structure of 2020 AGMs. As such the opportunity for shareholders to approve the proposed 2019 final dividend could not go ahead with the previously announced timetable. After much consideration, and in order to ensure the dividend payment was made to shareholders in May 2020, the Board resolved to declare a 2020 first interim dividend to replace the 2019 final dividend. The 2020 first interim was paid on 15 May 2020, for 6 US cents per share (US$69.4 million), the same quantum as the previously proposed 2019 final dividend and will not be subject to shareholder approval.

Our ability to generate superior returns for our owners and partners is only made possible by the fundamental strength of the relationships with all of our stakeholder groups. On behalf of the Board, I would like to thank the Egyptian Mineral Resource Authority ("EMRA"), not only for their support during 2019, but also for the last ten years in particular, which with their guidance has seen Egypt placed firmly on the map as a country with immense opportunity to become a leading gold producer. We believe that Sukari is the first of several Tier 1 gold assets which will benefit Egypt for generations to come. In addition to employing and training 2,249 Egyptians, cash flow generated from gold production in 2019 resulted in US$107 million being distributed to Egypt in profit share and royalties.

Positioned For Growth

Given the current volatility in world stock markets, brought on in large part by the COVID-19 outbreak, Centamin is well positioned having no debt, unhedged and US$379.2million[(1) (2)] in cash and liquid assets[(3)], providing full exposure to the gold price. I have frequently stated a strong balance sheet and stringent cost management as key to sustaining a robust business throughout the cycle.

The Company is constantly looking at ways to further identify cost-savings, improve key operating metrics and social improvements to those that work with and around us.

The Board is acutely aware of the quality and opportunity within the Company portfolio of assets, which has attracted the attention of other corporate entities, including the unsolicited approach by Endeavour Mining in late 2019. Your Board is in favour of risk diversification, but as disciplined capital allocators, we believe it is important to be value investors first. As a shareholder myself, I recognise the past two years have been frustrating as our market valuation has at times been impacted by short term performance inconsistencies during a period of change, as well as being in an outperforming gold market. Regardless of short-term performance setbacks we have always adhered to our core principle of paying cash dividends to shareholders bi-annually which we have now done for six consecutive years. The Board is aligned that the best way to generate substantial sustainable returns for shareholders is through long-term organic investing and the acquisition of value-accretive assets.

Thank You

I would like to take this opportunity to personally thank my Centamin colleagues, friends and family. I am grateful to have worked with you and achieved what we have together. We have demonstrated what a clear plan, passion, and hard work can achieve. The future opportunities for Centamin, and all its stakeholders, are endless. You have the skills, assets and leadership and I look forward to following and supporting your future successes.

Nothing would have been possible without our stakeholders. Together, our shared vision is only the beginning for Centamin and Egypt's growing presence in the gold industry. Thank you.

By order of the Board, for and on behalf of Centamin plc.

Josef El-Raghy
Chairman
18 May 2020

> "OUR ABILITY TO CREATE LONG-TERM VALUE IS UNDERPINNED BY THE QUALITY OF OUR ASSETS. DISCIPLINED CAPITAL ALLOCATION, ENVIRONMENTAL,SOCIAL AND GOVERNANCE IS ROOTED AT THE CENTRE OF OUR DECISION MAKING FRAMEWORK."
>
> **Martin Horgan**
> **Chief Executive Officer**

(1) Unaudited, as per Q1 2020 Report, published 21 April 2020. Audited cash and liquid assets of US$348.9 million as at 31 December 2019

(2) Before 2020 first interim dividend distribution of US$69.4 million on 15 May 2020

(3) Cash cost of production, AISC, EBITDA, Cash, bullion on hand, gold sales receivables, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are non-GAAP measures and are defined in the Financial Review non-GAAP measures section.

A CLEAR STRATEGY FOR FUTURE GROWTH

STRATEGIC REPORT

“SUKARI IS HOME TO EGYPT’S ONLY MODERN GOLD MINE, WHICH INCLUDES AN EXTENSIVE UNDERGROUND OPERATION. A SUBTERRANEAN WORLD WHERE TALENTED PEOPLE WORK WITH SKILL, FOCUS AND DETERMINATION.”

UNCOMPROMISED COMMITMENT TO DRIVE OPERATIONAL EFFICIENCIES

In 2019, Centamin commenced independent optimisation studies across all sections of the Sukari Gold Mine as part of a wider holistic life of asset review, reflecting on the knowledge and experience from ten years of operation and ensuring the mine is positioned and operated with excellence for the future.

MANAGEMENT REVIEW

"WE HAVE MADE A GOOD START TO 2020 WITH PRODUCTION ON TRACK. THE GLOBAL UNCERTAINTY AROUND THE IMPACT OF COVID-19 HAS CREATED A LOT OF VOLATILITY IN THE MARKETS, RESULTING IN INCREASED SAFE-HAVEN INVESTING. OUR CLEAN BALANCE SHEET WITH NO DEBT NOR HEDGING OFFERS PURE EXPOSURE TO THE GOLD PRICE."

ROSS JERRARD
CHIEF FINANCIAL OFFICER AND EXECUTIVE DIRECTOR

Centamin's clear strategic focus is on the production of profitable ounces, improving margins and maximising free cash flow.

Acting as interim CEO and managing the Company during a transformational time has been an honour and a privilege. It is a great pleasure to welcome Martin Horgan as Centamin's new CEO and I look forward to working with Martin to deliver value to all our stakeholders through the implementation of our consistent and long-term strategy.

Good Business

For the past 25 years, Centamin has been building a responsible culture that values and supports environmental, social and governance ("ESG") matters. From ethical code of conduct to decision-making, ESG is critical to the sustainability of our business. The key ESG improvement in 2019 has been effectively communicating this culture, framework and progress. To Centamin ESG is simply, good business. Testament to this, Centamin was recognised by the UK FTSE Series and qualified to be a constituent of the FTSE4Good Index. Our second Sustainability Report will be published on 8 June 2020 and will provide the framework and detail of our commitment to good corporate citizenship.

The safety, health and wellbeing of our workforce and local communities are our top priority every day. We instil a strong safety culture and continue to strive for a zero-harm workplace environment and I was disappointed that our safety record suffered a setback in 2019 with ten Lost Time Injuries ("LTIs") and the tragic loss of a contractor in Côte d'Ivoire due to a swarm of killer bees in February 2019. Lost Time Injury Frequency Rate ("LTIFR") was 0.29 per 200,000 workplace hours in 2019. With each safety incident we learn and adapt our conduct accordingly so as to mitigate it from happening again.

In 2019, there were no major environmental incidents recorded. Improving on site water management is an ongoing key focus, including developing and implementing a new Water Management Plan. In 2019 we set the target to exit the year with a 50:50 salt water draw vs recycled circuit water balance. I am pleased to report we beat our target and achieved an average of 76% circuit water recycled throughout the year. Consequently, this meant more tailings water was drawn from the tailings dam, which increased the available capacity of our active tailings storage facility ("TSF1") to the end of 2020. Construction of our second tailings storage facility ("TSF2") is underway and on schedule.

Centamin is committed to leaving a strong legacy for the benefit of our local, regional and national hosts – it is with excitement that we embark on significantly lowering our carbon footprint through increased operational efficiencies as well as the construction of the Sukari hybrid solar power plant. The Stage 1 30MW solar plant is expected to replace 18-20 million litres of diesel consumption per annum through operation during daylight hours. Over time it is expected this capacity will be expanded and, importantly, it will continue to operate for decades to come, delivering sustainable energy beyond the life of mine. The plant electrical upgrades and earth clearing works are underway in preparation for construction of the solar plant, which has been temporarily postponed due to health and safety measures around COVID-19.

2019 Performance

Centamin matured as a business in 2019. I am very pleased with the teams' efforts and focus, in particular delivering a near record quarter in Q4 2019. A weaker Q3 2019, due to slower mining rates from a section of the open pit, impacted annual production performance of 480,528 ounces, which was a 2% improvement on 2018. Notwithstanding, all other guidance metrics were delivered within range.

In 2019, we significantly strengthened our operational teams across all of our assets, particularly with senior technical managers. Through our workplace development programmes, 2019 concluded with 57% of Group leadership positions held by nationals, as we look to nurture and promote indigenous talent. I am confident we have the right team, mine plan and culture in place to deliver future performance.

We delivered another strong financial performance in 2019, which further benefited from improved gold prices. Revenues increased by 8% to US$652 million and underlying EBITDA(1) increased 10% to US$284 million with a 43% margin. Profit after tax increased 13% to US$173 million. Operating cash flow increased 11% to US$249 million and Group free cash flow(1), after a 14% increase in profit share paid to EMRA, improved 17% to US$74.3 million.

Through strong cash management and disciplined capital allocation, we have built a stronger financial position, with US$379.2 million(2) in cash and liquid assets(2) (4) at 31 March 2020, after distributing in excess of total US$570 million to shareholders in cash dividends, and US$474 million in profit share and royalty payments to Egypt, to date. Unique amongst our peers, Centamin has never had debt, hedging nor streaming in place, maximising the strength and flexibility of the balance sheet today and offering shareholders pure gold exposure throughout the cycle.

With our disciplined approach to capital allocation and responsibility as custodians of shareholder invested capital, we are proud of our established track record of returning surplus cash to shareholders – as well as investing in both sustaining the business and self-funding investment opportunities. Our commitment to shareholder returns is core to our strategy, as demonstrated with our six-year dividend stream.

Investing For The Future

Our strong balance sheet and future cash flow potential enables significant capital to be re-invested in the business for sustainability and future growth, as well as maintaining industry leading shareholder returns. This year and 2021 will see Centamin invest further in value driven projects, transforming Centamin for the future – including substantial upgrades to the underground, increased brownfield exploration and integrating solar power at Sukari.

In the second half of the year, a series of optimisation studies, across all facets of the mine, commenced, with a focus on long-term planning and identifying cost-saving, operational efficiency and improved productivity opportunities. These studies are underway and have already begun to identify potential cost-saving, performance enhancing opportunities and social improvements, including improvements to open pit operations, process plant productivity and on site camp facilities, which are budgeted for implementation in 2020. We expect the review to be completed during the second half of 2020 and look forward to updating stakeholders on any material developments in due course.

Exploration

During 2019 the discovery of Horus Deeps was made at Sukari, an exciting target which is located 300 metres below the current underground infrastructure of two high-grade shallow dipping structures. Mineralisation was similarly intersected below the Ptah and Amun zones, indicating that the structure extends to both the north and south. A surface step-out drill programme is underway in 2020, at 250 metre spacing which will tie into the current seismic programme, increasing the resource potential and geological understanding across the tenement.

"FOR THE PAST 25 YEARS CENTAMIN HAS BEEN BUILDING A RESPONSIBLE CULTURE THAT VALUES AND SUPPORTS ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") MATTERS."

In 2019 we commenced a small-scale regional exploration programme outside the mine gate, though within the larger Sukari tenement. There are several underexplored known deposits, all within trucking distance to our process plant. A 2D geoseismic programme was completed during 2019. Initial data interpretation is very encouraging, identifying multiple potential gold systems and exploration targets for further investigation during 2020 and beyond.

We have over 3,000km^2 of exploration ground across some of West Africa's most prolific producing gold belts. Our combined West African resource has grown to over five million Measured and Indicated ounces, all located within 250 metres from surface. After nine months of drilling, the exploration team increased the Doropo Project resource by greater than 20% and made the significant Kilosegui discovery. We believe this could be the source of significant resource growth and is a priority exploration target for 2020, ahead of progressing feasibility infrastructure conceptual layouts.

Outlook

The world is ever-changing and it is important we continue to evolve with it. As people, and as an organisation, globally we find ourselves working together more than ever to navigate the challenges that have and will continue to affect us all with the global spread of COVID-19.

Our purpose and strategy remain clear and consistent – create opportunities for our stakeholders through value-focused gold mining over volume – and starting with 2020, we expect to deliver year-on-year operational, financial, exploration, environmental, social and governance progress, and look forward to communicating these developments to you as the year progresses.

Our near-term focus is on driving margins through value over volume decision making. The forecast for 2020[(3)] is gold production of 510,000–540,000 ounces at an AISC[(1)] range of US$870–US$920 per ounce sold. Production is weighted to the second half of the year, due to the open pit mining sequence, with an approximate split of 45:55. The open pit will do most of the heavy lifting in 2020, contributing 80% of the ounces we expect to produce, as we are mining deeper into the pit in Stage 4 and accessing higher grade ore than in previous years, while the underground focus is on infrastructure upgrades to enhance future production.

Centamin has a very active growth pipeline of opportunities. Today we find ourselves in a strong position, looking back and learning from our ten-year production track record, in which to optimally position ourselves to deliver sustainable returns for at least the next 15 years, as underpinned by our current gold reserve and resource. At present, as caretakers and custodians, our immediate focus is to navigate the current risks associated with the COVID-19 pandemic and delivering our strategy in 2020. We will update shareholders with detailed medium-term forecasts for 2021 and beyond later in the year, in conjunction with the completion of the life of asset review.

Sukari is an exceptional asset and as our sole operating mine, currently dominates our asset portfolio. In the near-term, the best return on capital comes from our ESG initiatives including the hybrid solar power farm, employee training and targeted reductions in reagent consumption. Results driven exploration programmes aimed at significant resource growth and target generation across the portfolio and in line with our development criteria drives medium term value accretion.

We continue to look at strategic opportunities that can add value to shareholders. The Board is extremely encouraged by Centamin's Egyptian government partner, EMRA's launch of a gold licence bid round for exploration ground across Egypt. This is the first bid round to be launched under the new tax, rent, and royalty mining code. Whilst in its infancy, we view this to be very positive for the country and believe that Centamin is strategically positioned with an unrivalled operating track record, developed workforce and established supply chain in modern gold mining operations in Egypt.

Today

The first quarter of 2020 was a strong start to the year with operational and financial performance delivered ahead of budget. The commitment and response by our workforce to the COVID-19 pandemic has been exceptional, and we would also like to acknowledge the assistance and support of the Egyptian government.

Our top priority is to safeguard the health and wellbeing of our people, while taking necessary action to protect our business. Centamin has and will continue to implement proactive measures to minimise the impact to our people, business, community and wider stakeholders.

We are closely monitoring the development of COVID-19, including the potential impact of any disruption to our supply chain and gold exports. Our workforce, partners' and community safety and well-being remain our very top priorities, and our Board and Leadership team are actively engaged to respond to any developments as quickly as we can. To date there has been no material impact to our operations and there have been no reported cases of COVID-19 on site.

Centamin is a resilient and responsibly run business with zero debt and US$379.2 million in cash and liquid assets[(1) (2)], as at 31 March 2020. I am confident in our long-term strategy and our ability to respond quickly in this difficult environment. We continue to operate diligently and invest prudently, and I believe Centamin is both well equipped to navigate these challenges and remains well positioned for the future.

Ross Jerrard

Chief Financial Officer and Executive Director

18 May 2020

> "THIS YEAR AND 2021 WILL BE BUSY AND EXCITING YEARS AS WE INVEST IN VALUE DRIVING PROJECTS, TRANSFORMING CENTAMIN FOR THE FUTURE."

(1) Cash cost of production, AISC, EBITDA, Cash, bullion on hand, gold sales receivables, financial assets at fair value through profit and loss (Cash and liquid assets) and Adjusted free cash flow are non-GAAP measures and are defined in the Financial Review non-GAAP measures section.

(2) Unaudited, as per Q1 2020 Report, published 21 April 2020. Audited cash and liquid assets of US$348.9 million as at 31 December 2019.

(3) Centamin is closely monitoring the global COVID-19 pandemic and the Company guidance may be impacted if the workforce, operation or projects are disrupted due to the virus or efforts to slow the spread of the virus.

(4) Before 2020 first interim dividend distribution of US$69.4 million on 15 May 2020.

MARKET REVIEW

As a gold miner, Centamin is impacted by the dynamics of the gold market. Centamin maintains a no hedging policy and remains firmly focused on extracting, processing and producing gold as cost effectively as possible, in which to maximise margins.

2019 GOLD PERFORMANCE(1)

In 2019, the gold price performed well, finishing the year up 18% - the best performance since 2010. A six-year trading high of US$1,557/oz was in reached in September. The average spot gold price for the year was US$1,393/oz, comparable to the Company's average realised gold price of US$1,399/oz, outperforming major global bond and emerging market stock benchmarks. The key drivers to the 2019 gold price performance were declining interest rates across developed countries, mounting global economic and geopolitical concerns (US-China trade war, Brexit, US-Iranian tensions) supported by increased investor demand for gold-backed ETFs and growing reserves from central banks.

UNIQUE AMONGST OUR PEERS, CENTAMIN HAS NEVER HAD DEBT, HEDGING NOR STREAMING IN PLACE, MAXIMISING THE STRENGTH AND FLEXIBILITY OF THE BALANCE TODAY AND OFFERING SHAREHOLDERS PURE GOLD EXPOSURE THROUGHOUT THE CYCLE.

2020 OUTLOOK

We find ourselves in unprecedented times understanding and navigating the challenges presented by the outbreak of COVID-19. Governments are using substantial quantitative easing measures to help stimulate economies, including lowering interests rates close to zero in some developed countries. Historically, when real rates have been negative, gold's average monthly returns have been twice as high as the long-term average. Gold has historically performed well for up to a two-year period following policy transitions from tightening to easing.

Market consensus indicates a re-rating of the gold sector, backed by macroeconomic conditions, vast monetary stimulus, potential declining physical demand, good investment demand as a safe-haven investment class and diversification present strong fundamentals for a rising gold price. Forecast are for a weaker USD, further reductions in interest rates in the first half of the year, higher inflation in the second half.

Persisting uncertainty-driven market volatility could result in bouts of downward pressure on the gold price as investors panic rush to cash.

HOW WE RESPOND

We believe the best defence against market fluctuations is by keeping a close focus on cash management and stringent cost controls.

Centamin maintains a no hedging policy and remains firmly focused on extracting, processing and producing gold as responsibly and cost effectively as possible. The Company has achieved an impressive track record of positive free cash flow generation against a rapidly changing domestic and global economic environment, foreign exchange volatility and commodity cycles, specifically gold and fuel price.

- Maintain strong balance sheet: US$379.2 million in cash and liquid assets(2) (3), as at 31 March 2020, and no debt or hedging
- Disciplined alignment of spend to cash flow
- Ongoing cost saving initiatives
- Maximise margins through stringent cost control
- US$456/oz AISC(3) margin, a 19% improvement year-on-year

(1) Source: SP Global Market Intelligence, World Gold Council , Bloomberg.

(2) Unaudited, as per Q1 2020 Report, published 21 April 2020. Audited cash and liquid assets of US$348.9 million as at 31 December 2019.

(3) Cash cost of production, AISC, EBITDA, Cash, bullion on hand, gold sales receivables, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are non-GAAP measures and are defined in the Financial Review non-GAAP measures section.

CORONAVIRUS ("COVID-19")

"CENTAMIN TOOK EARLY ACTION TO PROTECT THE HEALTH, SAFETY AND WELLBEING OF OUR EMPLOYEES AND COMMUNITIES IN RESPONSE TO THE GLOBAL THREAT OF COVID-19 AND, IN WHAT REMAINS AN UNCERTAIN ENVIRONMENT, WE BELIEVE WE HAVE TAKEN STEPS TO MANAGE THE ISSUES THAT ARE WITHIN THE COMPANY'S CONTROL."

Thus far in 2020, COVID-19 has significantly impacted the world, presenting an unprecedented medical, economic and social challenge. Centamin has been proactive in how it manages and mitigates the impacts within its control. As of 18 May 2020, Centamin has no recorded cases of COVID-19 on site and has experienced no material disruption to operations, supply chain or gold shipments. The Company has, however, put in place contingency plans to deal with various possible disruption in the coming months.

At the centre of any decision is the health, safety and wellbeing of our employees and communities. We have stringent safety protocols across all sites, including clear operating standards on workplace conduct. In response to COVID-19, early action was taken at Sukari, in line with our Severe Communicable Disease Outbreak Management Plan and in accordance with the advice of governments and health authorities. These include the following actions taken:

- Established social distancing distancing and strict hygiene measures
- Established a robust multi-functional response framework with a clear chain of command
- Proactively engaged with the Egyptian government, Health Authorities and the City of Marsa Alam
- Ceased non-essential travel
- Extended on-site roster cycles supported by clear fatigue management protocols
- Enabled employees to work from home where possible
- Continue to educate the workforce on the virus (symptoms and preventative measures)
- Ceased non-essential visits and stringent controls in place for essential visitors
- Established multiple mandatory checkpoints (Marsa Alam airport, community centre and mine gate) for possible symptoms and travel history screening for all visitors
- Quarantine requirements for any individuals accessing site with rigid hospital isolation protocols in place for any suspected infected persons
- Ongoing supply chain assessment and reviews to ensure the site can operate for an extended period of time

Safely managing the mobility of our workforce, in line with government and public health advice, has been paramount in mitigating the risk of spreading the virus. Government imposed travel restrictions on the movement of people are expected to ease in the coming months. Until the timing of those changes are fully understood and global mobility stabilises the Company has identified alternative measures for varying scenarios.

Whilst the impact and potential duration of the COVID-19 pandemic remains uncertain, the Company has carried out scenario risk analysis on the Group and the Company believes it is well positioned to continue to manage through these difficult times. As the pandemic progresses we will continue to monitor the global situation – closely within our host countries Egypt, Côte d'Ivoire, Burkina Faso, Jersey and the United Kingdom – adapting our policies, procedures and controls to minimise the impacts that are within our control.

A COVID-19 Executive Committee has been established to provide oversight during the pandemic, supported by multifunctional teams and a framework led by Risk and Operations. At a minimum, the Board is updated weekly, the Executive Committee meets three times a week and the support team meet daily, providing workforce updates and supply chain assessment.

Supply Chain

We are supportive of the action being taken by governments globally to address the threat of COVID-19. As with many countries globally, Egypt has temporarily closed the national borders to commercial air travel until further notice. The ports and air freight borders remain open for importing and exporting goods. Understandably, supply chain logistics have been impacted by the global government imposed travel restrictions on the movement of goods. Increased logistical planning and flexibility has been crucial in mitigating these impacts.

The domestic supply chain has not been materially impacted, allowing for transportation of domestic goods in compliance with State curfews. International essential supplies are sufficiently stocked in to Q3 2020. As a precautionary measure, successful efforts have been made to further identify and increase the stores of essential supplies. However, if travel restrictions are extended into H2 and/or critical supply disruptions arise, operations could be affected.

Daily supply chain assessment is conducted, monitoring stock and usage levels, maintaining a risk schedule of our current and prospective suppliers, and supported by continuous open dialogue with our key international and domestic suppliers. Where a potential risk to a supplier has been flagged, and with all essential supplies, precautionary measures have been taken to identify alternative potential supply channels.

Gold Sales

There have been no material disruptions related to gold shipments to our longstanding refiner, Asahi Refining Canada. Regular dialogue is maintained with both Asahi and Brinks, our security company whom take responsibility for the gold at the mine gate.

Comprehensive scenario assessment continues, with precautionary measures in place, including utilising alternative refiners, Brinks stockpiling gold shipments and Centamin stockpiling gold produced. Each scenario involves variable short term but limited cost implications.

Further information on COVID-19 was provided in our Q1 2020 report published on 21 April 2020. We have also ensured that where relevant in the document we have referred to the potential impact of COVID-19, which is recognised as a new and emerging risk.

Craig Murray
Head of Risk

Key Areas Under COVID-19 Review

We have taken the below actions in response to the threats posed by the COVID-19 outbreak to minimise the potential risks which arise through the pandemic and manage any wider implications where possible. Effective risk management supported by strong reporting lines, maximises response time and more informed decision-making. Our collective crisis approach, maintaining close dialogue with our workforce, community and suppliers has instilled a strong sense of teamwork and accountability to ensure greater workplace wellbeing and minimal business disruption. Scenario risk analysis has been completed to identify potential contingency plans to deal with possible disruption in the coming months.

	POTENTIAL IMPACTS TO THE BUSINESS	OUR RESPONSE
Communication	Restricted or delayed communication during the pandemic could negatively impact the effectiveness of our response and response time, affecting our people and the business	Established clear response reporting lines, including a COVID-19 Executive Committee and COVID-19 support teams, liaising with local governments, communities, health authorities, customers, contractors, suppliers and workforce Structured communication on a daily, bi-weekly and weekly basis, accessing all levels of the Group
Our People	At the centre of any decision is the health, safety and wellbeing of our employees and communities Risks include: 1. Outbreak of the virus on site or within our local communities, affecting the health and lives of our people and the need to reduce or suspend operations 2. Government imposed restrictions to travel, affecting the mobility of our people on or off site which can affect their and their families mental health, workplace fatigue, and operational performance	We educate and promote awareness of the virus with daily clear and transparent workforce communication to alleviate uncertainty Increased safety and hygiene protocols across all locations Implemented an optimised staffing plan, supported by enhanced fatigue management processes focusing on physical and mental health. Includes extended roster cycles, revised daily shift patterns, where required, and established on site rest camps Established work-from-home measures where possible Commitment of LE10 million to the Egyptian COVID-19 relief efforts and logistical support to local communities
Our suppliers and contractors	Third party disruptions present a risk to the business in the event of restricted goods and services required to operate, including consumables, food, water and health supplies Domestic and international supply chain logistics have been impacted by the global government imposed travel restrictions on the movement of goods	Dedicated team conducting daily supply chain assessment, monitoring stock and usage levels, maintaining a risk schedule of our current and prospective suppliers, and supported by continuous open dialogue with our key international and domestic suppliers Increasing stores of essential international supplies, with sufficient stock in to Q3 2020 and where possible further stockpiling, due to uncertainty around the duration of COVID-19 and impacts on our suppliers Where a potential risk to a supplier has been flagged, and with all essential supplies, precautionary measures have been taken to identify alternative potential supply channels Work closely with essential contractors to established agreed crisis planning and risk analysis Non-essential contracts have been temporarily deferred as a safety precaution
Gold Sales	Disruptions to gold exporting and subsequent sales would have an impact on cash flow Centamin has a strong financial position, making this a low risk for six to twelve months	Disciplined cash management and capital allocation, including temporary deferral of non-essential capital projects Close dialogue with refiner and security company Monitoring of any impact on our liquidity and solvency considering increasing costs offset by higher gold prices and other savings Increased provisions to stockpile gold in the event of absolute border closure Identified alternative routes to export gold and alternative refiners In excess of 200,000 insitu ounces of low-grade stockpiles in the event mining has to cease

CREATING LONG-TERM VALUE

Centamin has been creating long-term value within Egypt for three decades, working in partnership with the Egyptian government and many local businesses throughout our supply chain to develop Egypt's modern gold mining industry.

"OUR ABILITY TO CREATE LONG-TERM VALUE IS UNDERPINNED BY THE QUALITY OF OUR ASSETS. DISCIPLINED CAPITAL ALLOCATION, ENVIRONMENTAL, SOCIAL AND GOVERNANCE IS ROOTED AT THE CENTRE OF OUR DECISION-MAKING FRAMEWORK."

WHAT WE RELY ON

NATURAL RESOURCES

We use water and fuel to operate and continue to identify opportunities to minimise our environmental footprint.

PROPERTY AND EQUIPMENT

Both the processing plant and open pit mine involve a large equipment fleet, plant and site infrastructure.

SKILLED WORKFORCE AND EXPERIENCED MANAGEMENT TEAM

We operate in jurisdictions which provide good access to educated workforce.

LICENCE TO OPERATE

We maintain active partnerships with countries and communities in which we operate.

STRONG FINANCIAL MANAGEMENT

Disciplined cost controls and efficient capital allocation enable us to continuously invest in longevity and growth of the business, balanced with strong shareholder returns.

WHAT WE DO

EXPLORE

Our geologists, with the support of technology, systematically and methodically explore our highly prospective landholdings.

15.3Moz

Measured and Indicated Mineral Resource

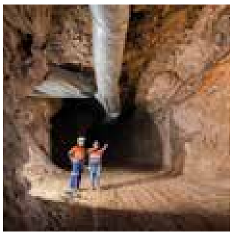
WHAT SETS US APART

First mover advantage

We have extensive understanding of the economy, culture and communities in Egypt and a reputation as a safe, ethical employer – which we replicate in other operating jurisdictions.

> OUR BUSINESS STARTS AND ENDS WITH GEOLOGY. EXPLORATION IS AT THE HEART OF EVERYTHING WE DO.
>
> **Pierrick Courderc,**
> **Chief Geologist, West Africa**

DEVELOP



We take a modular approach to maximising cash flow and returns. Sukari was built over four stages to minimise execution risk and ensure more effective, responsible capital allocation.

12.9Mt
Processing throughput at Sukari in 2019

Strong talent development programme

We have an established training platform for continuous on-the-job training, development of skills and career progression.

MINE

Sukari is a large-scale, low-cost open pit and underground mine.

94%
Open pit truck availability

Optimised capital allocation

The underground mine is contractor operated by Barminco, whom are responsible for their own equipment, optimising our use of physical capital.

PROCESS

Our end product is gold doré bars, produced from a CIL plant and small dump leach operation. All gold production is sent on a weekly basis to a refinery for smelting into bullion.

470koz
Gold sold in 2019

Exploration upside

There is untapped resource potential across the portfolio. Excellent geologists and a result-driven exploration model, maintains an active pipeline of priority exploration targets. In 2019, three significant discoveries were made.

VALUE CREATED

Through our operations, we unlock value from our asset portfolio, whilst maximising free cash flow. With a mine life in excess of 15 years at Sukari, Centamin looks forward to creating further value for all stakeholders.

EMPLOYEES

1,542 People – US$39.6m paid in benefits and salaries

COMMUNITIES

c.US$588k investment in community development projects

SUPPLIERS AND CONTRACTORS

61% Sukari goods and services from Egyptian suppliers

GOVERNMENTS

US$109.9m Group direct payments to governments

ENVIRONMENT

Improved water use efficiency and extended tailings storage capacity

SHAREHOLDERS

US$115.8 total dividend

UNDERSTANDING OUR STAKEHOLDERS

Our purpose is to create opportunities for all our stakeholders through gold mining.

To do this, we must understand our stakeholder interests and needs, while communicating our purpose. Communication creates community and with regular engagement with our stakeholders we are able to create mutual long-term value and success.

▶ Find out more about our Board engagement with stakeholders on page 114 of the Governance Report

HOW WE ENGAGE

- Daily pre-start and toolbox meetings
- Personal development. Including professional and managerial skills
- Code of conduct, improvement in standards, welfare and human rights
- Grievance mechanisms and whistleblowing platform
- Annual appraisals and ad hoc performance reviews
- Voice of Sukari (launched in 2019), an Employee Engagement Committee
- Regular visits to operational hubs and operational leadership team visit corporate head office in Jersey

GOALS

To better understand our employees' changing needs and expectations, with which to nurture a skilled and motivated workforce

Create a safe and healthy workplace

Develop a highly skilled local workforce

At Centamin, our first priority is ensuring our workforce has a safe and healthy workplace. This year our lost time injury frequency rate was 0.29 per 200,000 hours.

Employees are competitively remunerated and offered personal and professional development training.

FOCUS ON MAKING CENTAMIN A GOOD PLACE TO WORK

HOW WE ENGAGE

- Regular formal and informal engagement with respective ministries, including Egyptian General Assembly
- Routine on-site representation from EMRA representatives and audits under the Concession Agreement terms
- Materiality assessment to ensure objectives are aligned
- Transparent profit sharing, royalty, permit, tax payments
- Direct job creation and indirectly through the supply chain
- Meetings with counsel ministers in Côte d'Ivoire

GOALS

Maintain a strong license to operate in all our countries of operation

To share our vision and create mutual benefits.

Meaningful economic contribution remains a key benefit for our host countries of operation

The creation of value has been instrumental in Centamin's operations and will continue to be, as this ultimately aligns with our strategic objective of creating value for our shareholders and the wider stakeholder group. Maintaining good relations allowed us to meet legal and regulatory commitments. This maximised an opportunity for operating permits to continue as well as capital growth.

FOCUS ON JOB CREATION – PAYING COMPETITIVE SALARIES

> "COURAGE IS WHAT IT TAKES TO STAND UP AND SPEAK; COURAGE IS ALSO WHAT IT TAKES TO SIT DOWN AND LISTEN."
>
> **Winston Churchill**

COMMUNITIES

HOW WE ENGAGE

- Open dialogue with the Sustainability, Security and Public Relations departments
- Site tours of the operations
- Grievance mechanisms
- Third party community perception studies
- Sustainability performance
- Local community and the local government meetings with senior management
- Financial contributions and charitable donations
- Direct and indirect job creation
- Human rights, health and climate change education

GOALS

To work in partnership with our local communities

To make a lasting positive impact on the communities in which we operate through financial, logistical and educational support

Key to our communities is economic development and at Centamin we strive to support local communities with education and welfare initiatives. Over the year we have delivered new projects focused on development of sanitary and unpolluted water systems and aiding in the construction of local facilities such as schools and athletics grounds.

FOCUS ON COMMUNITY SUSTAINABILITY THROUGH INVESTMENT, EDUCATION AND EMPLOYMENT

SHAREHOLDERS

HOW WE ENGAGE

- Regular regulatory announcements and press releases on material performance, including quarterly operational and sustainability reporting and biannual financial reporting
- Established public market corporate governance best practises
- Regular market presentations and interactive conference calls
- Site visits
- One-on-one meetings, investor conferences and open market dialogue
- Annual Report and Sustainability Report
- AGM attended by key Directors
- Engagement with proxy advisory groups and shareholder stewardship teams

GOALS

To continuously improve lines of communication

Sustainability related expectations and climate change is at the heart of our shareholders and ours. Continuous dialogue has helped us set clear corporate strategy, objectives, capital allocation, operations and stakeholder relations that have high standards of ESG practices to benefit all parties.

FOCUS ON CREATING LONG-TERM SUSTAINABLE VALUE

SUPPLIERS, CONTRACTORS & REFINER

HOW WE ENGAGE

- Tendering and procurement procedures
- Grievance mechanisms and whistleblowing platform
- Contractor induction and ongoing training on Centamin code of conduct, health and safety and operational standards
- Contractor management protocols
- Routine education on Modern Slavery Act, Anti-bribery and corruption polices and the prevention of Modern Slavery
- Compliance audits
- Open dialogue and regular meetings with on-site management and senior management

GOALS

To ensure our partners understand our values and expectations, adhering to the high standards we set for ourselves and the code of conduct with which we operate

To better understand our partners perspectives and businesses to evolve a strong working relationship

A key issue for suppliers and contractors is the use of locally procured goods and services. To address this, Centamin conducts regular competitive tender processes to ensure mutually fair and reasonable supply contracts. The long life of the Sukari mine increases the likelihood of negotiating mutually beneficial contracts.

FOCUS ON MAINTAINING A TRUSTED TRACK RECORD WITH SUPPLIERS, CONTRACTORS AND REFINERS

> "THE BOARD IS HIGHLY CONFIDENT IN CENTAMIN'S STRATEGY OF MAXIMISING THE VALUE OF ITS ASSET BASE AND PROMOTING FURTHER GROWTH BOTH ORGANICALLY AND THROUGH ACCRETIVE OPPORTUNITIES WHICH CREATE VALUE FOR SHAREHOLDERS."

STRATEGIC PRIORITIES

ASSET QUALITY

PERFORMANCE IN 2019

- Increased production (2% below guidance): 481koz
- Significant Sukari brownfield discovery: Horus Deeps, located 300m below existing infrastructure
- Record plant throughput: 12.9Mt
- Open pit truck availability: 94%
- Processing plant utilisation: 95.2%
- Plant recoveries: 88.1%

PRIORITIES GOING FORWARD

- Forecast increased production: 510-540koz
- Reduce plant throughput: 12.3Mt
- Improve plant residence time
- Plant recovery of 88.1% on 12Mtpa minimum
- Reduce processing costs
- Centamin's target is to manage and spend the sustaining capital budget as appropriate to mitigate the impact of COVID-19 and in accordance with achieving its forecasted production targets and extending the life of its assets

PRINCIPAL RISKS

- Production estimates
- Political risk – Egypt
- Reserve and resource estimates

FINANCIAL FLEXIBILITY

PERFORMANCE IN 2019

- Achieved lower end of cost guidance range: US$699/oz
- Improved free cash flow[1] generation: US$74.3m
- Strengthened balance sheet, cash and liquid assets[1] as at 31 December 2019: US$348.9m
- Zero debt or hedging
- Capital expenditure of US$97.6m, in line with budget
- Exploration investment of US$16.9m, in line with budget

PRIORITIES GOING FORWARD

- Drive improved free cash flow generation through stringent cost controls and cost saving initiatives

PRINCIPAL RISKS

- Single project dependency
- Relationship with EMRA
- Tax exposure
- Political risk – Egypt
- Litigation
- Production estimates
- Gold price

> SUSTAINABILITY IS A VITAL CONSIDERATION AT ALL STAGES OF THE MINE CYCLE AND A STRATEGIC IMPERATIVE FOR THE COMPANY.

STAKEHOLDER RETURNS

- Total shareholder dividend US$115.8m, in excess of dividend policy
- Group direct payments to government US$109.9 million
- Profit share US$87.1m to EMRA
- Royalties US$19.7m to the Egyptian government

- Distribute a minimum 30% of Group free cash flow[1] to shareholders in dividends, paid bi-annually.
- The Board continues to review organic and inorganic strategic opportunities in line with the Company's growth and cost objectives

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- Single project dependency
- Relationship with EMRA
- Tax exposure
- Political risk – Egypt
- Litigation
- Production estimates
- Gold price

SUSTAINABILITY

- Reduced reliance on fossil fuels
- Reduced CO_2 emissions

Employees:

- LTIFR of 0.29
- Applied new grievance mechanism

Environment:

- No major environmental incidents
- Completed 36MW(AC) hybrid solar farm study, US$32m in capital allocated to construction
- Improved water usage efficiency: 76% recycled water, exceeding target of 50:50

Community:

- Awarded three geological scholarships through established grants in the UK and Egypt
- Community investment US$600,000
- LE10 million donation (US$635,000) COVID-19 Egyptian relief[3]

- Reduce LTIFR below 0.2, targeting zero-harm workplace
- Reduce reliance on fossil fuels through solar farm project
- Reduce CO_2 emissions by improving operational energy efficiencies
- Complete immediate term on-site and Board succession planning
- Training to improve equipment productivity
- 25% improvement in water usage efficiency by targeting a TWR[4] of 15 million litres per day
- Improve employee work conditions: building new accommodation and facilities

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- Relationship with EMRA
- Political risk Egypt and West Africa

ACTIVE GROWTH PIPELINE

- 15.3Moz Group resource, including 10.3Moz at Sukari
- 7.0Moz Group reserves (Sukari only)
- Completed 2D seismic survey, generating significant exploration targets
- Significant Sukari near-mine discovery: Horus Deeps high-grade structures
- 15% increase in resource[2] at Doropo, including improved resource categorisation
- Significant Doropo discovery, rapidly developed to resource estimate
- Completed 16,000 metres drilling at Cleopatra, confirming optimal for open pit extraction

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- Evaluate potential for additional sources of high-grade underground ore at Sukari
- Target underground reserve growth in excess of mining depletion
- Target Inferred Resource conversion through effective utilisation of exploration budgets
- Regional exploration programmes over the Sukari tenement
- Resource expansion and project evaluation across West Africa
- Evaluate selective M&A opportunities with the potential to develop low-cost projects

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- Exploration development success
- Political risk – Egypt
- Reserve and resource estimates
- Political risk – West Africa

(1) Cash cost of production, AISC, EBITDA, Cash, bullion on hand, gold sales receivables, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are non-GAAP measures and are defined in the Financial Review non-GAAP measures section.

(2) Measured and Indicated category.

(3) Announced commitment on 6 April 2020 and paid on 23 April 2020.

(4) In line with industry water efficiency standards and we have changed our water conservation targets to focus on total reused water to task ("TRW").

We always strive to improve operational efficiencies to ensure we preserve the integrity of our assets – orebody, equipment, human capital.

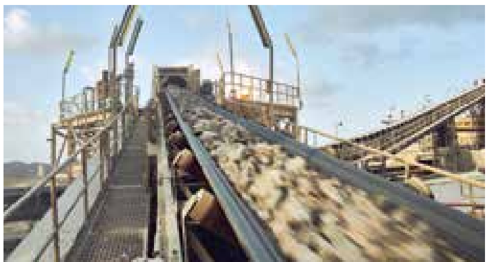
OUR STRATEGY IN ACTION

STAKEHOLDER RETURNS

SUSTAINABILITY

FINANCIAL FLEXIBILITY

ASSET QUALITY



ACTIVE GROWTH PIPELINE

STAKEHOLDER RETURNS

US$87.1m

Profit share payments to EMRA As per the 55:45 split in the Concession Agreement; this changes to 50:50 on 1 July 2020

US$19.7m

Royalties to Egypt 3% net smelter return (NSR)

US$115.8m(1)

Total attributable dividend to shareholders 82% increase on 2018

US$39.6m

Total employee benefits and salaries

900

Participants in the Sukari internship programmes Including 244 three-month advanced internships

(1) On 21 April 2020, the proposed 2019 final dividend was replaced by a declared 2020 first interim dividend

STAKEHOLDERS RETURNS

"BEING THE FIRST EGYPTIAN GOLD MINE, WE BENEFIT FROM WORKPLACE TRAINING AND INSTILLING STRONG CORPORATE VALUES. WE TRAIN OUR WORKFORCE TO SUSTAIN A CULTURE OF SAFETY AS A CORE PRIORITY."

SUSTAINABILITY

0.29
LTIFR, per 200,000 workplace hours

33.9 CO_2**-e**
per ton milled

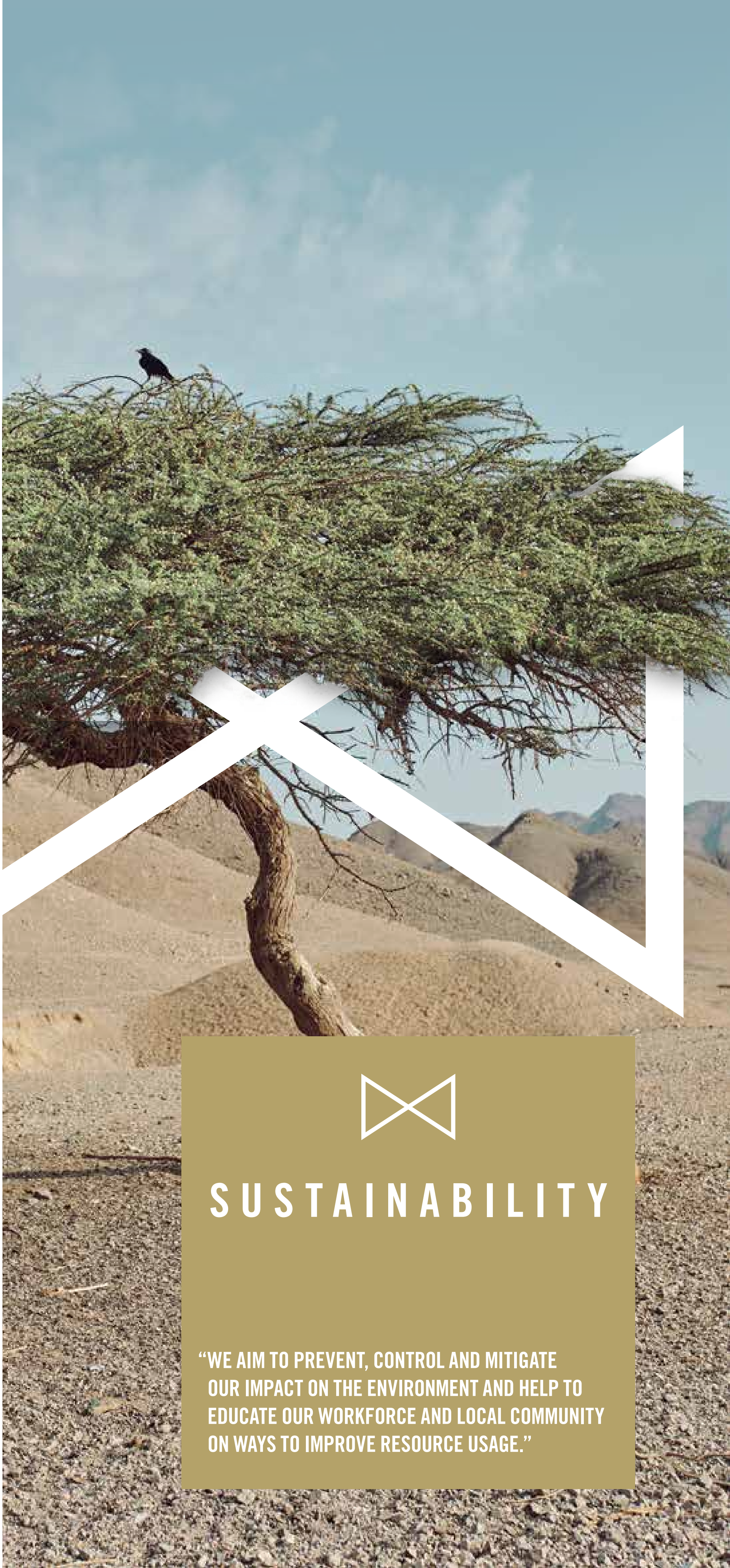
Zero
Major environmental incidents

1,542
Total direct workforce
Total workforce including contractors: 2,556

95%
Total workforce is national to the country of operation

US$126m
Value of goods and services procured from local suppliers

76%
Total plant recycled water usage



SUSTAINABILITY

"WE AIM TO PREVENT, CONTROL AND MITIGATE OUR IMPACT ON THE ENVIRONMENT AND HELP TO EDUCATE OUR WORKFORCE AND LOCAL COMMUNITY ON WAYS TO IMPROVE RESOURCE USAGE."

FINANCIAL FLEXIBILITY

US$284m
EBITDA(1)

43%
EBITDA(1) margin

US$173m
Profit after tax

US$249m
Operational cash flow

US$74m
Group free cash flow(1)

US$349m
Cash and liquid assets(1), as at 31 December

(1) Cash cost of production, AISC, EBITDA, Cash, bullion on hand, gold sales receivables, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are non-GAAP measures and are defined in the Financial Review non-GAAP measures section.

FINANCIAL FLEXIBILITY

"EFFECTIVE CAPITAL ALLOCATION STARTS WITH PORTFOLIO MANAGEMENT TO MAINTAIN A BALANCED GROWTH PIPELINE. SUKARI IS OUR CAPITAL FOCUS, WHILE STEADILY UNLOCKING VALUE FROM OUR HIGHLY PROSPECTIVE WEST AFRICAN LAND PACKAGE."

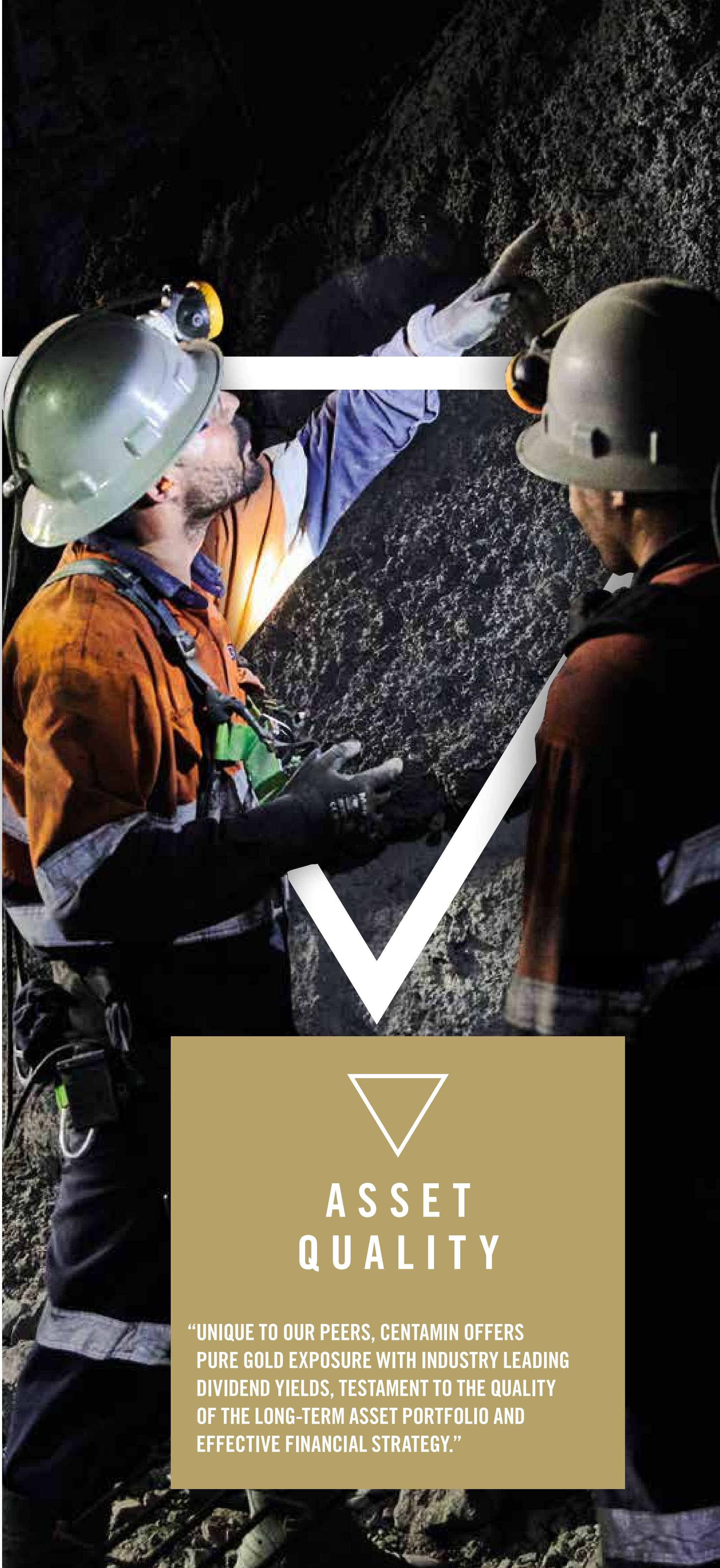
ASSET QUALITY

15.3Moz
Group gold resource,
including 7.0Moz
gold reserve at Sukari

94%
Open pit truck availability
exceeding 90% target

95%
Processing plant utilisation

88.1%
Metallurgical recoveries



ASSET QUALITY

"UNIQUE TO OUR PEERS, CENTAMIN OFFERS PURE GOLD EXPOSURE WITH INDUSTRY LEADING DIVIDEND YIELDS, TESTAMENT TO THE QUALITY OF THE LONG-TERM ASSET PORTFOLIO AND EFFECTIVE FINANCIAL STRATEGY."

ACTIVE GROWTH PIPELINE

1

Brownfield discovery,

Horus Deeps 300m below the underground infrastructure

2

Greenfield discoveries,

Kilosegui deposit at Doropo and **FarankaNana anomalies** at ABC

20%

Mineral Resource upgrade at Doropo
To 2.44Moz M&I within the 7km radius Main Resource Cluster ("MRC")

ACTIVE GROWTH PIPELINE

"WE CONTINUE TO SUCCESSFULLY ADVANCE OUR SELF-FUNDED EXPLORATION PROJECTS LOCATED IN WEST AFRICA'S MOST GEOLOGICALLY PROLIFIC GOLD BELTS, WHILST ACTIVELY ASSESSING INORGANIC STRATEGIC OPPORTUNITIES."

KEY PERFORMANCE INDICATORS

Centamin sets Key Performance Indicators ("KPI") each year and assesses performance against these benchmarks on a regular basis.

Centamin is closely monitoring the global COVID-19 pandemic and the Company guidance may be impacted if the workforce, operation or projects are disrupted due to the virus or efforts to slow the spread of the virus.

GOLD PRODUCTION R

(Ounces)

2%

Links to strategy:

Definition

Gold production is our primary output. It is the cumulative number of gold ounces produced from our operating asset, the Sukari Gold Mine.

Performance

Gold production for 2019 was 481k ounces, a 2% improvement on the prior year (2018: 472koz), driven by improved feed grade delivered to the mill, and 2% below guidance forecast.

Outlook

Forecast gold production for 2020 of 510,000 to 540,000 ounces.

CASH COSTS OF PRODUCTION(1) R

(US$ per ounce produced)

12%

Links to strategy:

Definition

Cash cost of production(1) per ounce is a non-GAAP 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.

Performance

Cash costs of production(1) were US$699 per ounce, which was at the mid-point of the guidance range.

Outlook

Forecast cash costs in 2020 of US$630 to US$680 per ounce produced(1).

ASSET QUALITY | STAKEHOLDER RETURNS | FINANCIAL FLEXIBILITY | SUSTAINABILITY | ACTIVE GROWTH PIPELINE

ALL-IN SUSTAINING COST[1] R

(US$ per ounce sold)

7%

Links to strategy:

Definition

AISC[1], a non-GAAP measure, 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 the operation.

Performance

AISC[1] were US$943 per ounce sold, which was at the top end of the guidance range.

Outlook

Forecast AISC[1] in 2020 of US$870 to US$920 per ounce sold, including targeted savings of US$50 million in mine production costs.

GROUP MINERAL RESOURCES R

(Ounces)

-3%

Links to strategy:

Definition

Extending mine life through brownfield exploration and new discoveries from greenfield exploration contribute to the Company’s long-term growth prospects.

Performance

Targeted exploration delivered increased resource confidence and open pit grade at Sukari and a 15% resource upgrade at Doropo.

Outlook

Target underground reserve replacement and resource growth through effective utilisation of exploration budgets.

GLOBAL LTIFR R

(per 200,000 hours worked)

380%

Links to strategy:

Definition

Global lost time injury frequency rate (“LTIFR”), across Sukari, Burkina Faso and Côte d’Ivoire, is the measure of any employee workplace injury resulting in time off, calculated per 200,000 hours worked.

Performance

Group LTIFR was 0.29 per 200,000 hours worked (2018: 0.06), due to seven Lost Time Injuries at Sukari and a contractor fatality at Doropo due to a killer bee attack. Total of 7,014,484 hours worked (2018: 6,459,939).

Outlook

Centamin remains committed to further improving health and safety procedures, practise and culture towards our zero-harm target.

REVENUE ®

(US$ million)

8%

Links to strategy:

Definition

Revenue is the total gold sales made at the average realised gold price. This is the top-line indicator. Performance is driven by delivery of production volumes and heavily depends on commodity prices.

Performance

Revenues of US$652.3 million were up 8% on the prior year (2018: US$603.2 million) with a 10% increase in realised gold prices offset by a 3% decrease in gold ounces sold, due to timing of shipments.

Outlook

Centamin's target is to generate revenue in accordance with forecasted production targets.

MINE PRODUCTION COSTS ®

(US$ million)

7%

Links to strategy:

Definition

The costs associated with the day to day operation of the mine, including the open pit, underground, processing and maintenance cost to produce and sell gold.

Performance is driven by compliance to plan, operational productivity and efficiency, as well as market fluctuations of consumables and fuel.

Performance

Total mine production costs of US$351.7 million (2018:US$328.1m) beat budget due to improved operational efficiencies, and were up 7% on the prior year due increased volumes mined and processed and increased fuel and reagent costs.

Outlook

Centamin's target is to control costs in accordance with budgets and forecasted production targets.

ADJUSTED EBITDA(1) ®

(US$ million)

8%

Links to strategy:

Definition

Adjusted EBITDA is a non-GAAP financial measure calculating earnings before interest, taxes, depreciation and amortisation, adjusted for non-current assets non-current assets and profit on financial assets at fair value through profit or loss

Performance

Adjusted EBITDA increased by 8% to US$280.1 million, as a result of a 2% increase in gold production and a 10% increase in average realised gold price offset by a 7% increase in mine production costs.

Outlook

Centamin's target is to generate EBITDA in accordance with budgets and forecasted production targets.

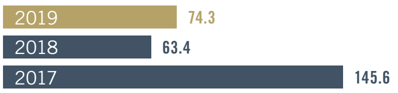
® Links to the shareholder approved Remuneration Policy and through the short term and long-term incentives

(1) Cash cost of production, AISC, EBITDA, Cash, bullion on hand, gold sales receivables, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are non-GAAP measures and are defined in the Financial Review non-GAAP measures section.

ASSET QUALITY · STAKEHOLDER RETURNS · FINANCIAL FLEXIBILITY · SUSTAINABILITY · ACTIVE GROWTH PIPELINE

(ADJUSTED) FREE CASH FLOW[1] R

(US$ million)



17%

Links to strategy:

Definition

Group free cash flow is after Sukari profit share payments and Group investing activities, including exploration expenses in West Africa.

Performance

Free cash flow of US$74.3 million generated in 2019, up 17% on the prior year (2018: US$63.4 million) due to increased production volumes and stronger gold price.

Outlook

2020 free cash flow generation is forecast to be higher than 2019, driven by stringent cost control, higher production volumes and forecast higher gold price environment.

SUSTAINING CAPITAL EXPENDITURE R

(US$ million)

-5%

Links to strategy:

Definition

The annual capital reinvested in the business to maintain operations at existing levels, including ongoing development of the underground operations.

Performance

US$85.1 million spent in 2019 (2018: US$89.2 million) of which US$8 million was spent on underground exploration, US$36.9 million on underground mine development and US$40.5 million on other sustaining capital expenditure, of which US$26.6 million relates to rebuilds.

Outlook

Forecast sustaining capital expenditure for 2020 of US$95 million.

EXPLORATION EXPENDITURE R

(US$ million)

-4%

Links to strategy:

Definition

Non-sustaining expenditure to generate growth through existing and future projects in Burkina Faso, Côte d'Ivoire and Egypt, in most instances through exploration activities

Performance

US$16.9 million was spent on West African exploration (US$2.7 million at Batie West Project, Burkina Faso and US$14.2 million in Côte d'Ivoire (Doropo and ABC Projects)), delivering significant target generation, 20% increase in Doropo resource and two significant discoveries. US$16.5 million was spent at Sukari, Egypt, making the Horus Deeps discovery, adding Cleopatra underground resources, regional prospect surface drilling and completed 2D geoseismic programme.

Outlook

Forecast non-sustaining expenditure (inc West Africa exploration expenses) for 2020 of c.US$90 million, including US$23 million to construct TSF2, US$7 million on underground upgrades and US$19 million in West Africa.

2019 SUSTAINABILITY HIGHLIGHTS

From exploration to extraction, construction to closure, sustainability is a vital consideration at all stages of the mine cycle and a key strategic pillar for the Company. Our corporate objective is one in the same as our sustainability objective, to create opportunities through gold mining.

Centamin's mining operations, including exploration projects, generate economic benefit for the countries and communities where we operate through payments to government, employee and contractor wages, payments to suppliers and contractors, vocational training, community investment and academic investment.

Responsible decision-making is at the centre of our ability to deliver long-term stakeholder value, starting with the health and wellbeing of our workforce, communities and environment.

Health and Safety

There was a notable improvement in safety awareness and reporting in 2019. Both leading and lagging indicators have been introduced across the entire workforce ensuring all employees are equipped with the knowledge and responsibility to reduce injuries and incidents through education, awareness and responsibility to mitigate risks and respond to instances where the controls have been compromised. Regular reviews of the site risk registers to ensure all controls for known risks are relevant, effective and new identified risks are included. The site's safety culture is structured to encourage improvement. Most recently we introduced a 'visible safety leadership programme' designed to share experiences and knowledge among the workforce which has helped reinforce our commitment to safety.

In 2019, the Group LTIFR was 0.29 (Sukari 0.22) per 200,000 hours worked (2018: 0.06), with a total 7,014,484 of hours worked (2018: 6,459,939). This included 10 LTIs and, as previously announced, the sad loss of a drilling contractor due to injuries sustained from a bee attack in Côte d'Ivoire in February 2019.

The collective workforce at Centamin are committed to further improving health and safety, specifically targeting zero lost time injuries in 2020. Further details of the safety initiatives and employee welfare are set out in the Sustainability Report.

Social Responsibility

Economic Contribution

The Egyptian government earned US$19.7 million in royalty payments in 2019. As per the terms of the Concession Agreement, Sukari cash flow generation resulted in profit share payments of approximately US$87.1 million made to the Egyptian government.

For more detailed breakdown of Group payments to government please refer to the independent publication on our website www.centamin.com.

“LOOK BEYOND THE SCALE OF SUKARI AND A VERY HUMAN STORY EMERGES. THIS IS A CLOSE-KNIT COMMUNITY WITH A TRUE SENSE OF BELONGING.”

Amr Hassouna
Commercial Manager

Workplace Development

Egypt has a highly educated population, however, developing Egypt's first modern gold mine meant the access to mining skilled workforce was limited and Centamin would need to develop that training platform to develop a skilled workforce.

Centamin employs a total of 2,556 people, including contractors, of which 93% are employed locally to their place of work. Sukari is the Group's largest operation, employing 1,424 people, excluding contractors, of which 95% are Egyptian nationals and a total of 2,464 people, including contractors, of which 93% are Egyptian nationals.

Total paid salaries and benefits for 2019 were US$39.6 million.

Professional development programmes are in place to develop and prepare national employees for more senior and leadership roles. Each expatriate position has a succession plan attached to it with national employees named as potential replacements once they have completed their respective development programmes. Currently at Sukari there is an equal number of expatriates and nationals filling the Head of Department positions and longer-term targets to establish 50% of the leadership group (managers, superintendents and supervisors) being Nationals as of the end of 2021 and an overall expatriate reduction programme of 25% year-on-year.

Environmental

Water Management

The Company is committed to improving water management. During 2019, Centamin transitioned to align with the definitions in the International Council for Metals and Mining (“ICMM”) Guide for Water Report, which aims to standardise water reporting metrics definitions. Consequently, the water efficiency values cannot be compared with the metrics disclosed in previous reporting years, however Sukari Gold Mine's previous performance was retrospectively calculated to determine trends from 2019 onwards. In 2019, nearly 44% of all water to task (i.e. used in processing) was reused water; the reused water is predominantly from the tailing storage facility. This was an improvement of 56% in comparison to the reuse efficiency in 2018.

Centamin is currently reviewing and updating its site wide water balance at Sukari. The updated water balance will allow robust and defensible targets to be established for water use and water efficiency. A 2020 reuse target of 15 000 m^3 per day was established.

Solar Power Plant

The planned 36Mw DC / 30Mw AC peak power solar hybrid power plant will significantly reduce Sukari's carbon footprint and is expected to reduce diesel consumption for power by approximately 18–20 million litres per annum.

The new facility is expected to deliver significant cost savings over the life of operations at Sukari based on a capital cost of approximately US$37 million, of which approximately US$6 million was committed in Q4 to upgrade the high voltage reticulation on site. Centamin will recover its initial capital outlay under the cost recovery mechanism set out in the Concession Agreement.

Engineering and earth-clearing works have commenced in 2020 in preparation for construction to commence when COVID-19 travel restrictions have been lifted and it is safe to have increased third party traffic on and off site.

Tailings Storage Facility ("TSF")

Centamin is committed to the highest standards of tailings management. The Company's current downstream TSF at Sukari (TSF1) will reach capacity in 2021. TSF1 is regularly reviewed according to regulatory and internal requirements, and water samples taken from adjacent wells and boreholes to monitor for seepage. Centamin's Geotechnical department conducts internal and external technical reviews of the TSF on a regular basis, as well as being inspected by independent consultants. The engineering and design studies for TSF2, were completed by Knight Piesold in Q4 2019 and construction has commenced in 2020, on schedule. This will extend tailings deposition to beyond 2030.

▶ Find out more on page 123, in the Governance Report

Air quality

Occupational health and hygiene risks are formally recognised in each area and the necessary controls implemented to mitigate these risks to our employees. These areas are routinely reassessed internally, on site, on a monthly basis and by an external authority twice yearly to ensure that the controls remain relevant and effective.

Resultant of day-to-day operations on the mine site, including underground, is generation of dust, noise, minor spills and odour, as well as high temperatures. These measures are regularly monitored and assessed in the context of employee wellbeing, community impact and environmental impact. Safety personal protection equipment is required for the workforce and visitors, including high visibility clothing, protective glasses, earplugs, masks, hardhats and gloves. Additional mitigating measures include regular dust suppression and infrastructure upgrades(1) where appropriate. In 2020, US$7 million of growth capital has been committed to substantial upgrades to the underground ventilation system and infrastructure. This will improve underground air quality and temperatures, as the mine prepares to expand at depth.

Steve Fuhri
Group Health & Safety Manager

(1) Updated as at 21 April 2020 with the Q1 2020 Report

Governance

Annual General Meeting

The 2020 AGM will be held at 11.00 AM BST on Monday, 29 June 2020 at 2 Mulcaster Street, St Helier, Jersey, Channel Islands.

To protect the health and wellbeing on our employees, communities and shareholders, and in accordance with the UK and Jersey Government and public health guidance on COVID-19, the Centamin Board of Directors asks shareholders not to physically attend the AGM this year. Shareholders are encouraged to complete and submit their votes on-line and to submit any questions to the registrar in advance of the AGM. Details of the AGM are set out in the Governance Report.

The 2019 Annual Report and Accounts and Notice of AGM will be mailed to shareholders in May. Details will also be available on the Company's website, www.centamin.com.

Board and management changes

The Board evolution throughout 2019 reflect the Company's ongoing commitment to achieving the highest standards of corporate governance:

- On 13 December 2019, Ross Jerrard, CFO, was appointed as interim CEO following the retirement of Andrew Pardey
- On 6 April 2020, Martin Horgan was appointed as CEO and Director, following a thorough international search process; Ross Jerrard resumed his sole responsibilities as CFO
- During 2019, Dr Sally Eyre, Dr Catharine Farrow, Marna Cloete and Jim Rutherford were appointed as independent Non-Executive Directors, and Alison Baker retired
- Josef El-Raghy, Chairman, will not stand for re-election at the upcoming 2020 AGM
- Completing a comprehensive handover, Jim Rutherford will assume the independent Non-Executive Chairman position from 29 June 2020, following the 2020 AGM
- Gordon Edward Haslam, Senior Non-Executive Director, will not stand for re-election at the upcoming 2020 AGM
- Mark Arnesen, Non-Executive Director, will not stand for re-election at the upcoming 2020 AGM
- Ongoing committee rotation and refreshment, including the introduction of new committees (Technical and Sustainability)

The Company continues to strengthen operational competencies across the Group through development and recruitment as the Company positions itself for the next stage of growth:

- Extensive recruitment at site, including General Manager, Operations Director, Supply Chain Manager, Projects Manager and Underground Manager
- Continued organisational restructuring including the General Manager(s) to report directly to the CEO
- Jeremy Langford, COO resigned to pursue other interests
- Group Head of Risk appointed

Darren Lemasurier
Company Secretary

▶ Find out more on page 130, in the Governance Report

OPERATIONAL REVIEW

"WE PROACTIVELY WORK TO ENSURE HEALTH AND SAFETY IS A MINDSET, NOT JUST A PROCEDURE."

JEREMY LANGFORD
CHIEF OPERATING OFFICER

Sukari Gold Mine, Egypt

2019 vs 2018

Our operational track record is one of the key measures that marks our progress. This is underpinned by an innovative culture, striving to find improvements across all sections of the mine in what was a transitional year, encompassing recruitment, innovation, operational assessment, stakeholder engagement and improving operational efficiencies.

Mineral Resources and Reserves

(effective 18 July 2019)

The Sukari updated Measured & Indicated Mineral Resource estimate is 10.3Moz at 1.01g/t gold[1]. This represents an 6% reduction in contained metal and a 5% increase in grade. Exploration success, mining depletion (including production, ore to the dump leach pads and stockpiles) and a change in the reporting assumptions in respect of the use of a US$1,900/oz pit shell to partially constrain the Mineral Reserve Estimate were the predominant drivers of the 0.7Moz net reduction from the prior year ("year-on-year").

The Sukari updated Proven and Probable Mineral Reserves were estimated at 7.0Moz at 1.1g/t gold, a reduction of 250koz of gold year-on-year, or 3%, and the grade is unchanged. The change in Mineral Reserves was driven by mining depletion, partially offset by ounce additions from exploration. Furthermore, the updated estimates reflect a movement of a part of the underground Mineral Reserves to open pit Mineral Reserves, resulting from a change in reporting going forward.

Exploration additions were predominately from the lower levels of Amun, into the Osiris flats and Horus Deeps. The Horus porphyry setting provides significant underground resource growth potential. The 2020 underground exploration programme is underway and is targeting a minimum of reserve replacement.

▶ Find more detail on the Mineral Resource and Reserve Statements within Supplementary Information, on page 222

Production

In 2019, operations comprised of open pit, underground and dump leach. Gold production was 480,528 ounces, a 2% improvement compared to prior twelve months in 2018 ("year-on-year"). This was 2% below the annual guidance of 490,000 ounces, due to a weaker than scheduled third quarter, reflecting reduced ore mining in the open pit.

In 2020, annual production guidance is within the range of 510,000–540,000 ounces, with approximately 55%[2] of production weighted to the second half of 2020. Optimisation studies across the respective sections of the Sukari operation are well underway, identifying potential cost reduction and performance enhancing opportunities in relation to reducing operational costs, increasing free cash flow margins, as well as technical direction for medium and long-term planning and capital expenditure derivation. Ongoing focus on improving operational efficiencies and productivity metrics.

Costs

Costs were delivered in line with 2019 guidance. Absolute cash costs of production[3] for 2019 were US$333.0 million, a 15% increase year-on-year. Absolute AISC[3] for gold sold was US$439.3 million, a 5% increase year-on-year.

Unit cash costs of production[3] were US$699 per ounce produced, a 12% increase year-on-year, due to increased tonnes mined and processed, and increasing cost input pressures in fuel and reagents. Unit AISC[3] were US$943 per ounce sold, a 7% increase year-on-year.

In 2020, cash cost of production[3] is expected to be between US$630–US$680 per ounce produced and AISC[3] between US$870-US$920 per ounce sold.

Open Pit Mining

Total material mined was 78.4Mt, a 1% increase year-on-year. Total ore mined was 14.4Mt at an average grade of 0.8g/t, this was a 38% reduction in tonnes year-on-year and a 34% improvement in grade year-on-year, predominantly driven by mining in the higher-grade Stage 4 West. The strip ratio was 4.5.

The open pit delivered 11.7Mt to the plant, at an average milled grade of 0.9g/t. A total 1.0Mt, at an average grade of 0.37g/t, was delivered to the dump leach pads. Stockpiles increased from 12.2Mt at 0.47g/t to 13.85Mt at an average grade of 0.46g/t in 2019.

OUR OPERATIONAL STANDARDS

Honesty
- Say it as it is
- Proactive feedback yields the best results

Innovation
- Strive for positive improvement
- Thinking outside the box
- Propose solutions to problems

Dependability
- Do what we say we will do
- Trust is built with consistency
- Deliver the plan

Courage
- Do what we know is right
- Accept mistakes, learn and grow from these

Respect
- Accept new ideas even if they appear different
- Treat others as we want o be treated
- Respect the workplace; respect the assets

Teamwork
- Engage and share achievements
- Look out for each other
- Support decisions and advice

In 2020, the Stage 4 pit is the primary source of ore, with increased Stage 5 pit contribution in H2. Total open pit ore is expected to contribute 80% of production. Stage 5 stripping will continue throughout 2020, ahead of transitioning into Stage 5 ore mining in 2021.

The open pit is performing in line with expectations and the focus is on resolving the factors contributing to increased dilution, along with improving overall equipment effectiveness and managing the geotechnical risk on both the western and eastern walls, respectively. In 2020 a Reutech MSR250 survey radar system will be commissioned. The radar is mounted on a mobile vehicle and measures pit wall movement to monitor pit stability.

Underground Mining

Total ore mined was 1.1Mt at an average total grade of 5.3g/t. This represented a 12% decrease in tonnes year-on-year and a 6% decrease in grade year-on-year, predominantly a function reduced equipment utilisation, which was due to ventilation and access way constraints.

Underground infrastructure upgrades commenced in early Q4 in the primary decline and access ways, including ventilation rehabilitation and improvements to the emergency escapeway system, and will continue throughout 2020.

Ore mined from stoping was 615kt at 7.0 g/t, a 17% decrease in tonnes year-on-year and a 7% increase in grade year-on-year. Approximately 7,660 metres of development was completed in Amun and Ptah, a 4% increase year-on-year, with a focus on decline development, in conjunction with ore drive and cross-cut development. Ore mined from development was 472kt at an average grade of 3.2g/t. This was a 6% reduction in tonnes and a 29% reduction in grade year-on-year.

A total of 1,980 metres of development was completed within Cleopatra, a 12% reduction year-on-year, with a focus on decline development and preparing drill platforms. Development in mineralisation delivered 93kt of ore at an average grade of 1.64g/t to the mill, producing a total 4,333 ounces and generating revenues of US$5.8 million offset against capital spend.

In 2020, approximately US$7 million[4] of growth capital will be invested in the underground operations, including a material upgrade to the mine infrastructure and ventilation system. These upgrades are scheduled for completion by the end of 2020. To minimise the disruption to operations and allow for a safe and time efficient build, ore mining in the Amun will be reduced by up to 300kt in 2020, with Ptah providing the primary source of underground ore.

Backfilling will continue during 2020, using cemented rock fill, which will allow the gradual introduction of a bottom-up mining method. This is expected to reduce overall dilution and good waste management in the underground operations.

Processing

The plant processed 12.9Mt of ore, a 2% increase year-on-year, at an average feed grade of 1.28 g/t, 2% higher year-on-year. Recovery rates of 88.1%, a 1% reduction year-on-year. The plant utilisation was 95.2%.

The Company has completed a series of engineering and optimisation studies with Lycopodium Minerals, which have identified a number of processing cost and control opportunities. Design and procurement will commence in early 2020.

Dump leach operations contributed 8,641 ounces, a 31% reduction year-on-year in line with the mine plan.

The focus in 2020 continues to be on maximising operational margins on plant throughput. In line with cost optimisation and performance studies, 2020 throughput is expected to be reduced to between 12.25–12.5Mtpa, targeting improved residence time, improved recoveries and optimal use of reagents and consumables. Stable feed grade delivered to the mill along with tighter operational controls and improved process plant stability should ensure recoveries reach target rate of 88% in 2020.

(1) Using an economic cut-off grade of 0.3g/t gold for the open pit and 2.0 g/t gold for the underground operations

(2) Updated as at 21 April 2020 with the Q1 2020 Report

(3) Cash costs of production, AISC, Adjusted EBITDA, Cash, bullion on hand, gold and silver sales debtor, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are Non-GAAP Financial Measures as defined at the end of the Financial Review section.

(4) Updated as at 21 April 2020 with the Q1 2020 Report

Table 2. Operational Summary

	units	FY 2019	Q4 2019	Q3 2019	Q2 2019	Q1 2019	FY 2018	Q4 2018
Open pit								
Total material mined	kt	**78,391**	17,385	19,762	20,256	20,987	**77,877**	21,075
Ore mined	kt	**14,372**	4,006	3,625	3,615	3,126	**23,131**	4,990
Ore grade mined	g/t Au	**0.80**	0.98	0.75	0.7	0.72	**0.6**	0.75
Ore grade milled	g/t Au	**0.90**	1.19	0.83	0.76	0.83	**0.76**	0.92
Underground								
Ore mined	kt	**1,087**	232	275	310	270	**1,242**	314
Ore grade mined	g/t Au	**5.32**	6.45	3.94	4.83	6.34	**5.69**	6.21
Processing								
Ore processed	kt	**12,859**	3,044	3,207	3,359	3,248	**12,568**	3,198
Feed grade	g/t Au	**1.28**	1.60	1.10	1.16	1.28	**1.26**	1.45
Gold recovery	%	**88.1**	89.5	85.6	88.0	88.8	**88.7**	89.1
Gold production	oz	**480,528**	148,387	98,045	117,913	116,183	**472,418**	137,600
Gold sold	oz	**470,020**	137,065	108,826	112,764	111,365	**484,322**	148,851
Avg realised gold price	US$/oz	**1,399**	1,487	1,478	1,307	1,303	**1,267**	1,235
Cash costs(1)	US$'000 produced	**333,037**	89,676	83,917	87,553	71,892	**289,394**	82,579
AISC(1)	US$'000 sold	**439,317**	108,333	123,624	109,319	98,041	**420,116**	118,911
Unit cash costs(1)	US$/oz produced	**699**	605	860	752	631	**624**	609
Unit AISC(1)	US$/oz sold	**943**	792	1,141	982	898	**884**	809

Capital Expenditure

In 2019, the Group invested US$97.6 million (before pre-production net revenue of US$4.3 million from non-sustaining development), a 1% increase year-on year.

Sukari sustaining capital expenditure was US$85.1 million, in line with guidance and a 5% reduction year-on-year. Key investments were attributed to underground exploration and development and scheduled fleet rebuild programme.

Sukari non-sustaining capital expenditure was US$12.5 million, in line with guidance and a 65% increase year-on-year. Key investments were attributed to advancing exploration and decline development at the north of the hill, along the Cleopatra structures, and commencing regional exploration on the Sukari tenement.

For 2020, as a precautionary move to protect the health and wellbeing of the workforce, non-essential capital expenditure has been temporarily deferred, including the Sukari solar plant. This is in order to minimise contractors and other non-operating traffic on and off site, while restrictions related to COVID-19 remain in place. As a result, 2020 capital expenditure is expected to be in the range of US$150–US$170 million(2) (previously US$190 million).

Project optimisations have been identified in areas such as mill relining and upgrades to the underground ventilation circuit, utilising existing on-site equipment and our highly skilled workforce as opposed to using third parties. Changes to the non-essential capital expenditure programmes are measures taken to protect our workforce and secure the operations, and not expected to impact guidance for 2020.

The Company has reduced the forecast capital expenditure for 2020 to between US$150-US$170 million (previously US$190million), through short term deferral of non-essential growth capital, optimisation of capital projects and reductions in discretionary spend.

Investment in technology, people and training are additional critical areas the Company continues to invest in as a way of driving improved operational performance.

Exploration

In addition to the usual production drilling to support mining operations across the open pit and underground, a programme of resource extensional exploration was completed. Programmes included both drilling and a 2D seismic programme that is seeking to extend the current known limits of the Sukari deposit or identify new targets that have the potential to support economic mining.

Sukari underground exploration has been completed in each of the main mining areas; Amun, Horus, Ptah and Cleo. Results during the year confirmed the major gold shoots remain open on plunge and at depth, with the discovery of Horus Deeps mineralisation extending beyond 300m below the current Amun underground infrastructure. Exploration is driving resource growth in the south chasing Horus Porphyry and the Osiris Thrust, in the central sections of the Sukari porphyry diving down plunge on the Ptah Lodes developing the Sukari Porphyry Keel and Ptah Deeps and in the north of the UG we are stepping down plunge on the extension of the Top of Horus Porphyry and Osiris thrust.

(1) Cash costs of production, AISC, Adjusted EBITDA, Cash, bullion on hand, gold and silver sales debtor, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are Non-GAAP Financial Measures as defined at the end of the Financial Review section.

(2) Updated as at 21 April 2020 with the Q1 2020 Report

In 2019, the four underground drill rigs completed in excess of 52,000 metres of underground diamond drilling focused on resource conversion, resource extension within the main underground assets and successfully targeting longer-term opportunity at depth and along strike from existing underground infrastructure with the Horus Deeps discovery. A total of 2.8 million metres have been drilled to date UG with a further 1.3 million metres planned to be drilled over the next five years to facilitate new LOM resource and reserve growth.

Amun / Ptah Production Decline

Exploration within the existing underground operations was predominantly focused on resource category infill and conversion to Measured and Indicated providing the foundation for robust short-medium term mine planning and development design.

A total of 11,500 metres was drilled from within Amun, testing strike extensions and mineralisation below the Sukari porphyry. Results confirmed high-grade continuity of mineralisation along the Osiris thrust north-south strike extension, proximal to the current decline development drives and outside the existing Mineral Resource. Top of Horus infill drilling showed an increase in the gold content by targeting higher-grades brecciating along the contact zone.

Ptah is likely to be a key growth driver for the underground mine and in 2019 a total of 24,675 metres were drilled, including infill drilling of the Eastern and Western Ptah stockwork zones ahead of near-term scheduled development. Drilling provided medium-term pre-development definition along the east and west porphyry contacts, and within the undeveloped Porphyry-Keel target zone.

Results confirmed grade continuity with high grades concentrated along strike, on both the Eastern and Western contacts of the Sukari porphyry, where breccia and/or stockwork zones form internally within the porphyry. The Porphyry Keel drill results confirm resource potential extension at depth plunging towards the North. Drill highlights include:

- 2.7m at 207.0g/t Au (Amun) TW = 1.4m
- 0.6m at 289.0g/t Au (Amun) TW = 0.6m
- 0.6m at 1,187g/t Au (Ptah) TW = 0.6m
- 3.8m at 450.7g/t Au (Ptah) TW = 3.6m
- 6.6m at 198.1g/t Au (Ptah) TW = 5.2m

In 2020, 21,000 metres of drilling are planned focused on Top of Horus resource category upgrade and growth to the south where the zone remains open. Concurrently 25,400 m is planned from the Ptah decline for resource extension and upgrade to Measured and Indicated Mineral Resources for Ptah Eastern stockworks, Western stockworks and Ptah Keel.

Horus Porphyry: Horus Deeps

In 2019, 7,800 metres was budgeted for step-down drilling to the west and 200m below the Sukari porphyry level targeting the Horus porphyry. In H1 drilling from the base of the Amun confirmed high-grade gold mineralisation, indicating three flat shallow south dipping structures. In Q3 2019, the Horus drill campaign continued, testing the northern extensions and the new shallow structural plunge concept of the Horus Deeps/Osiris stack geological model. Drilling intersected a thin, flat-lying sulphide-bearing shear zone (0.3m @ 140g/t), confirming concept and a breakthrough on the Horus Deeps lodes to the north down-plunge.

As a result of drilling throughout 2019, the Horus Deeps zone is represented by two styles of mineralisation:

- A stockwork/breccia proximal to both the eastern and western contact of the Horus porphyry, hosted by permeability created during the brittle deformation of the Horus Porphyry
- A high-grade quartz vein proximal to the eastern contact of the porphyry.

The 2019 structural framework indicates a repetition of the shallow dipping Osiris thrust deformation zone at depth, affecting the Horus porphyry, creating a fracture system proximal to the sediment contact.

There is potential for significant medium-grade (with a subsection of higher-grade intersections) resource expansion within the Horus Deeps. In 2020, a comprehensive 6,000m drill programme has been budgeted to better define the structural controls on mineralisation. This will include a surface-based 250m step out drill programme designed to test the southern up-plunge extension of the Horus Porphyry to surface. Drill highlights include:

- 0.3m at 140.0g/t Au TW = 0.3m
- 29m at 6.4g/t Au TW = 7.5m
- 2m at 43.6g/t Au TW = 1.3m

Cleopatra (“North”) Decline

The 2019 drill programme from the Cleopatra decline confirmed the presence and continuity of narrow high-grade gold veins within each of the three stacked orebodies (from top to bottom: Cleopatra, Antoni and Julius).

Cleopatra drilling was designed to improve geological confidence and near-term Mineral Resource growth potential by systematically drilling the host structures, with the focus the intersection between the shallowest Cleopatra zone and the Eastern contact shear. A total of 15,927 metres were drilled to expand known Mineral Resources and to provide definition for the interface between Stage 7 open pit and underground infrastructure design along the deeper Antoni structure.

A total of 1,934 metres of decline development was completed, pushing the North decline deeper into Antoni allowing new long-term drill platforms to be constructed to target the northern extensions of the deeper Julius, Ptah Deeps and Ptah Keel lodes. A total of 93k tonnes of development ore was delivered to the mill at an average grade of 1.71 g/t, resulting in 5,108 ounces produced in 2019.

Jeremy Langford
Chief Operating Officer

EXPLORATION REVIEW

"WE BELIEVE EXPLORATION IS CRITICAL TO THE SUSTAINABILITY OF A SUCCESSFUL BUSINESS. EXPLORATION IS CORE TO OUR BUSINESS MODEL, DEVELOPING AND MAINTAINING AN ACTIVE PIPELINE OF PROSPECTIVE TARGETS THROUGHOUT THE EVALUATION STAGES."

NORMAN BAILIE
GROUP EXPLORATION MANAGER

Centamin strives to make new discoveries, growth and value-creation opportunities through exploration within the portfolio. Our efforts are primarily focused on Sukari, in Egypt and developing our organic projects at Doropo, in Côte d'Ivoire and Batie West, in Burkina Faso.

The ongoing objective of the exploration and geoscience research is the identification of new resources which sustain near-term mine production, grow near-mine reserves, discover new generative settings and extend project lifespans. We actively explore our brownfields and greenfield terranes to develop production-viable deposit clusters with proximal feeder target pipelines.

The 2019 programme successfully delivered:

- Doropo Project Mineral Resource update, on nine months of drilling was declared, 23 October 2019: M&I resource of 61.3Mt at1.24g/t for 2.44Moz, and Inferred Resource of 30.1Mt at 1.1g/t for 1.04Moz; 15% increase in contained metal 23% increase in M&I resource tonnes, including maiden resource in the Measured category.
- A new, significant, 10km long gold-mineralised anomaly at the Doropo Project, the Kilosegui deposit located within 30km of the main resource area. A new Mineral Resource estimate based on resource drilling on the previously delineated 1.8km strike length yielded an Indicated Mineral Resource of 3.6Mt at 1.0g/t for 0.12Moz contained, and 10.5Mt at 1.0g/t for 0.33Moz (included within the Mineral Resource update). Kilosegui should have a positive impact on the 2021 feasibility study.

The 2020 exploration programme focusing on the following work streams:

- Batie West Project in Burkina Faso is under project review and an updated study is targeted for Q4 2020
- Doropo Project studies are targeted for H1 2021, following a further resource update by the end of 2020 including the new Kilosegui discovery
- ABC Project resource update is targeted for the end of 2020

Centamin is closely monitoring the global COVID-19 pandemic and the Company guidance may be impacted if the workforce, operation or projects are disrupted due to the virus or efforts to slow the spread of the virus.

Sukari Gold Mine, Egypt

Regional Exploration

The Sukari Concession Agreement applies across the 160km^2 tenement. During 2019, surface exploration activities focused on the completion of 2D seismic geophysical surveys on the Sukari license area. The seismic survey lines were oriented to cross the Sukari domain ophiolite shear zone. Processing and interpretation of the seismic data will facilitate the construction of 3D geo-seismic models with resolution of structural elements to depths of 1.5km. The surveys comprising 35km long lines along three independent sections, was completed in Q4 2019. Data processing was completed in February 2020. Initial data interpretation is encouraging and has yielded multiple potential gold-bearing structures within the shear framework.

The interpretations support the hypothesis that the Osiris thrust is an important district-scale shear zone and confirms its extension both up and down plunge. Results of the seismic survey and updated 3D geological model will be incorporated in the 2020 exploration plan.

Good surface gold channel sample anomalies were found at V-Shear South, North and East prospects which will be followed up by section drilling and geological modelling.

In 2019 a targeted reverse circulation drill programme was carried out on the V-Shear South prospect, 3km northeast of the Sukari processing plant. At V-Shear South, gold mineralisation is hosted by a porphyry unit that has characteristics similar to the Sukari porphyry. Exploration at V-Shear South is at an early stage but the interpretation of gravity inversion modelling shows linkages to Sukari Hill that extend beyond V-Shear North. The system is open and H1 drilling will target extensions and resource-quality of this mine-style gold mineralisation.

Five holes were drilled at the Quartz Ridge prospect, located 4.5km from the Sukari processing plant to provide material for metallurgical testwork. This is a key regional target for potential production development in 2020. Infill resource and grade control drilling, in addition to metallurgical testing is budgeted for completion of a production schedule in H2.

West Africa

Centamin's West Africa exploration has been focused on mine-quality project acquisition, dynamic mineral resource and reserve growth, and the development of production-viable districts from cost-efficient exploration since inception in January 2015. On all our projects, we apply continuous critical review of our results and aim to:

- Develop accurate geological deposit models and understand the regional setting
- Create new scalable targets from our reconnaissance phase exploration
- Continually review our drill results and block models to ensure drill planning is directed towards the delivery of mine-ready Mineral Resources and Reserves
- Introduce downstream study test work early in our development workflow to insure fatal flaws and valid optimisation criteria are determined at the earliest possible stage

Centamin West Africa are actively exploring across 16 permits, covering some 3,675.86km^2 in Burkina Faso and Côte d'Ivoire, with a further 3.349.24km^2 under application.

A total of US$16.9 million was expensed in exploration at the Company's West African assets, predominantly at the Doropo Project in Côte d'Ivoire. This represented a 20% decrease year-on-year as drilling continued at Doropo with the Kilosegui discovery and feasibility studies were held.

In 2020, c.US$20 million of exploration costs to be incurred outside of Egypt, at Doropo, Batie West and ABC projects.

Doropo Project, Côte d'Ivoire

The Doropo project is the most advanced exploration project within the Company's portfolio outside Egypt. Doropo is located in northeast Côte d'Ivoire, adjacent across the frontier with Batie West project. Doropo is a CEY organic discovery and wholly owned by the Company, consisting of seven permits, over a 1,930km^2, highly prospective landholding. It is hosted entirely within a granitic domain, bounded on the eastern side by the Boromo-Batie greenstone belt, in Burkina Faso, and on the western side by the Hounde-Tehini greenstone belt which stretches +800km from northern Burkina Faso to the Atlantic coast west of Abidjan.

A total 75,000 metres were drilled at Doropo, including 49,025 metres of reverse circulation drilling focused on mineral resource definition and exploration targeting; 25,437 metres of aircore and auger drilling defining new strong surface anomalies and follow up targets; and 557 metres of diamond drilling to provide material for metallurgical test work. A total 55,000 metres of drilling is budgeted for 2020.

A Doropo Project Mineral Resource update on nine months of drilling was declared 23 October 2019 within the Q3 2019 Report: Measured and Indicated Resource of 61.3Mt at 1.24g/t for 2.44Moz, and Inferred Resource of 30.1Mt at 1.1g/t for 1.04Moz; 15% increase in contained metal 23% increase in M&I resource tonnes, including maiden resource in the Measured category.

Kilosegui Discovery

The Doropo highlight for 2019 was the Kilosegui discovery, located approximately 30km southwest of the Main Resource Cluster. Kilosegui is a 10km long WNW-ESE anastomosing low-angle (22° to 28°), SW dipping shear network in granodiorite, hosting Doropo-style mineralisation in multiple stacked zones, with widths varying from six to 16 metres true width.

Four months drilling before resource cut-off date led to a Kilosegui maiden mineral resource of 3.6Mt at 1.0 g/t for 0.12Moz indicated plus 10.5Mt at 1.0 g/t for 0.33Moz inferred. The maiden mineral estimate on the structure is based on the first pass drilling up to about 100m vertical depth and along the 1.8km of initial strike tested. The Kilosegui deposit is the main resource growth target at Doropo in 2020, with two RC rigs drilling on first pass 200m and 400m sections.

A GAIP ("Gradient Array Induced Polarisation") survey was completed across the Kilosegui deposit to decipher the sub-surface structural architecture which hosts the mineralisation. The GAIP identified the main axial shear zone as a major low-angle thrust which in detail has been compartmentalised and jogged by regional orthogonal faults, previously undetected, which seem to control higher grade plunging shoots along the deposit and open up splays and parallel lodes. The GAIP uncovered the local 3D plumbing system and enhanced the 3D prospectivity modelling and drill targeting along the entire shear corridor.

The discovery of Kilosegui, which has regolith complexity and a subdued surface geochemical signature, lead to a reappraisal of surrounding district exploration results (from soils, auger and aircore programmes) within the context of 3D structural model developed over time from the GAIP and regional magnetic imagery. A number of new mineralised systems have been identified, several untested by drilling, which form the next generation of 2020 pre-resource exploration drill targets.

In 2020, the focus will be on resource drilling and better understanding the resource growth potential from Kilosegui deposit. The results will influence the feasibility study and likely plant site location scenarios.

Regional exploration

The Vako Shear Zone (VSZ), located halfway (15km) between Kilosegui and the MRC, was positively tested by large scale first pass RC drilling in December. VSZ is a 7km long shear zone which has a very similar geophysical and geochemical signature to Kilosegui. It has been currently tested on 500m to 1km shallow drill section spacing, from which the best results returned are of 12m at 0.8 g/t Au and 14m at 1.1 g/t Au. 2020 drilling will focus on infilling iteratively the resource-quality mineralisation to 100 and 50m section spacing towards defining Inferred and Indicated Resource for inclusion in 2020 reporting.

ABC Project, Côte d'Ivoire

The ABC Project is located in northwest Côte d'Ivoire, approximately 600km west of Doropo. ABC is a greenfields exploration project, consisting of two permits, Kona and FarakoNafana, covering a 750km^2 highly prospective landholding along the underexplored contact zone between the Archean and Birimian cratons. The current Indicated Mineral Resource is 650koz Au contained at a grade of 1.0g/t Au, and an Inferred Mineral Resource of 450koz Au contained at a grade of 0.87g/t Au. The Company has an additional four permits under application at the ABC project.

The Kona permit includes the main Lolosso Gold Corridor ("LGC"), host to the Kona South Mineral Resource and the Kona Central and Kona North drilled prospects. The LGC is a 60km in strike length, gold mineralised structure, which varies in width between 300m and 1000m. It is interpreted as a greenschist to lower amphibolite grade, Birimian volcano-sedimentary greenstone keel that has been thrusted between an older Archean granitoid. The eastern, west-dipping footwall contact is a major structural and metamorphic feature that is interpreted as a major control of the regional emplacement of gold mineralisation along the corridor.

DOROPO PROJECT STUDIES

Environmental, social and community

Digby Wells UK Ltd. and PAH (CDI) SARL Ltd completed a preliminary environmental, social and community screening assessment review (EIES-RAP).

Hydrogeology

GCS Water Consultants PTY Ltd completed a water resources and management assessment including feasibility for local raw water feed options for the future processing plant and associated infrastructure.

Geotechnical

SRK (UK) Ltd is scheduled to update the geotechnical review of the open pit(s) on the updated resource model. The original work completed in Q4 2018, included open pit geotechnical slope stability analysis. Geotechnical assessments of caveability, fragmentation, subsidence and ground support requirements were carried out based on geotechnical characterisations developed from geological assessments and core logging data.

Mining

Engineering studies initiated with the appointment of AMDAD PTY Ltd mining engineering consultants, in conjunction with H&S PTY Ltd resource consultants, have been progressing the project engineering studies. AMDAD are updating the open pit mining preliminary optimisations and efficiency analysis, with a focus on mining cost optimisations and sensitivity analysis.

Metallurgy and processing

Metallurgical test work was conducted by ALS-AMMTEC PTY (Perth), whilst Lycopodium Minerals are providing the processing flowsheet, and the preliminary development and operating expenditure estimates.

Knight Piesold completed the preliminary acid rock drainage and tailings dam conceptual studies and layout analysis.

> “THE DOROPO PROJECT IS THE MOST ADVANCED EXPLORATION PROJECT WITHIN THE COMPANY’S PORTFOLIO OUTSIDE EGYPT.”

The paragneiss is interpreted to be the stratigraphic continuity of detrital sedimentary rocks but at granulite facies. The footwall contact would seem to have originated and be traced along a metamorphic facies boundary which made it more favourable to gold deposition by virtue of rheology, calcareous chemical layering and greenschist incubation conditions. Kona South shows many characteristics of skarn type genesis.

The gold arsenic surface geochemistry clearly maps the core of the LGC along a 23km strike which runs axially through the Kona permit and along a further 18km strike across the FarakoNafana permit. The two main prospects, identified on the Kona permit by the initial mapping and rock chip sampling, were prominent silicified ledges in the topography. These anomalous ridges developed into the Kona South and Kona Central Prospects. On a regional scale, mapping and remote sensing of the LGC defines a+ 60km structural inlier, inboard to the west from the main cratonic suture, expressed now at surface as the N-S Sassandra drainage basin.

In 2019, 25,000 metres of RC drilling was completed on the Kona permit to test the surface geochemical anomalies along and linking the boundary contacts of the LGC keel. A first pass drill programme started at Kona South and worked systematically out from Kona South at 200m to 400m sections toward, and along the Kona Central and Kona North prospects. As a result of the significance of the Kilosegui discovery at Doropo in H1 2019 all further drilling in H2 was diverted to Kilosegui for Centamin's West African exploration. Exploration activities reverted to auger drilling for a total of 2,529 metres by year end.

The infill drilling results at the Central zone of the LGC has facilitated the development of updated interpretations of the ore controls on gold mineralisation. The 200m wide, low-grade corridor is bounded by two structural/ lithological contacts, interpreted to be fold limbs, that host the high-grade gold mineralisation. Two exploration targets on the fold limbs are planned for drill testing in Q1 2020.

Kona South gold mineralisation was extended along strike to the north by 2019 drilling. Drilling in 2020 will focus on completing the Kona Central resource infill, developing the Kona North lodes along strike and down dip, and follow-up on exploration targets interpreted from the H1 2019 and is scheduled to complete an aeromagnetics geophysical survey of the land package in H2 2020.

Surface work completed on the northern FarakoNafana permit, including soils, termite mound sampling and geological mapping, lead to the identification of the LGC along approximately 18km of strike length, as part of ground-truthing of the geophysical imagery. Further work to be conducted in Q1 2020 will include auger sampling and possibly aircore or reverse circulation drilling results-dependent.

Batie West Project, Burkina Faso

The Batie West project, located in southwest Burkina Faso, is wholly owned by Centamin. The 593km^2 landholding, includes one exploitation (mining) licence and six exploration permits. The 64km^2 Konkera exploitation license hosts the 1.9Moz gold Indicated Mineral Resource, at a grade of 1.7g/t gold and a 1.3Moz gold Inferred Mineral Resource, at a grade of 1.7g/t gold.

The Konkera gold zones are 10km north-east of the Doropo Main Cluster, across the border in south-western Burkina Faso. They are hosted along the south-western margin of the Birimian Boromo greenstone belt, on the Batie West Shear Zone (BWSZ). The BWSZ is a major crustal scale shear zone which traverses the western margin of the greenstone belt. The deformation associated with the shear zone is locally up to 3km wide and can be traced over 110km of strike length. The host stratigraphic sequence is dominated by mafic and ultramafic rocks in the basal stratigraphy with felsic and andesitic pyroclastic rocks grading upwards into immature clastic sedimentary rocks in the upper parts of the succession. Strain is most intense in the south-western portion of the belt, where the stratigraphy is folded into a series of upright tight folds that plunge gently towards the NNW-SSE and host the main Konkera-Kouglaga resources. Fold hinges are typically faulted and sheared into a corridor of interpreted dextral-transpression.

Konkera gold mineralisation is locally controlled by both lithology and structural features, with the main vectors being:

- **Receptive lithologies:** in the case of Konkera this is basaltic volcanic rocks where titanomagnetite is replaced by sulphides. Mineralisation is also found as pre- or early-folding pyrite mineralisation in pyroclastic breccias, conglomerates and sandstones at Kouglaga.
- **Isoclinal folds:** complex systems of isoclinal folds localise mineralisation along their fold axial planes at Konkera. The folds verge towards the NE and appear to have curvilinear fold hinge lines, consistent with very high strain within this part of the belt.
- **NNW-SSE trending shear zones:** a network of shears have been interpreted from GAIP and aeromagnetic geophysical datasets to cut the West Batie Shear Zone. Where they do, they are associated with elevated Au in soil and auger samples (>10 ppb) and the occurrence of orpaillage sites (artisanal mine workings).

The Batie West Project EIES (the environmental and social impact study, named in French: "Etudes d'Impact Environmental et Social") and RAP were renewed in Q3 which extends the definitive feasibility study a further three years from 11 November 2019. Field exploration activities were limited, whilst an internal review of the project is concluded. The Company is currently assessing the results of this review and has commenced building an internal project team at the corporate and West African regional centres.

Norm Bailie
Group Exploration Manager

CHIEF FINANCIAL OFFICER'S REVIEW

"CENTAMIN HAS UNDERTAKEN A NUMBER OF INITIATIVES IN 2019 TO IMPROVE THE CONSISTENCY AT, AND INCREASE CASH FLOW FROM, THE SUKARI MINE. CONSISTENT OPERATIONAL DELIVERY AGAINST THE MINE PLAN REMAINS THE KEY OBJECTIVE AND WILL DRIVE FINANCIAL PERFORMANCE."

ROSS JERRARD
CHIEF FINANCIAL OFFICER

Centamin is a financially robust, highly cash generative business, committed to responsible mining and balanced stakeholder returns. This is reflected in the Group's financial results for the year ended 31 December 2019.

Strong focus on operational improvement driving positive financial performance – Q4 2019 production figures represent one of the strongest quarterly results from Sukari.

Gross revenues[(1)] improved by 7% to US$658.1 million, from annual gold sales of 470,020 ounces, down 3%, at an average realised price of US$1,399 per ounce, up 10% year-on-year. A total of 19,410 ounces of unsold gold bullion was held on site at year end, due to timing of gold shipments. This has been realised and reflected in the first quarter 2020 gold sold numbers, as released on 21 April 2020.

Stringent Cost Control

Our business model is focused on value over volume, through improving operational and cost efficiencies. Whilst the average realised gold price on sales was improved 10% year-on-year, our AISC margin improved 19% to US$456/oz sold.

Annual costs were comfortably within annual guidance. Optimisation studies underway throughout the respective sections of the mine have identified numerous potential costs savings and performance initiatives, with some beginning to bear fruit in the fourth quarter.

Cash costs of production[(2)(3)] was US$699 per ounce produced, up 12%, reflecting a 1% increase in mined and 2% increase in processed tonnes offset predominantly by a 3% increase in gold ounces produced (excluding Cleopatra). AISC[(3)] was US$943 per ounce sold, up 7%, mainly due to a 2% decrease in gold ounces sold (excluding Cleopatra), increased production costs offset by lower sustaining capital costs.

Growing Free Cash Flow Generation

Centamin's cash flows and earnings showed further growth in 2019.

Operational cash flow improved by 11% to US$249.0 million, after gross capital expenditure of US$97.6 million predominantly invested in the long-term sustainability of the business. Adjusted Group free cash flow[(4)] improved by 17% to US$74.3 million, after profit share distribution of US$87.1 million to our partner, the Egyptian state. Group underlying EBITDA improved by 10% to US$284.0 million, at a 43% EBITDA margin[(5)].

“FOCUSSING ON LONG-TERM PRODUCTION OF PROFITABLE OUNCES, MAXIMISING FREE CASH FLOW GENERATION.”

8%

Increase in
Revenue (US$ million)

8%

Increase in **Adjusted EBITDA**
(US$ million)

43%

EBITDA margin

17%

Increase in
Free cash flow generation

Profit after tax increased by 13% to US$172.9 million, offering competitive profit margins, due to:

- an 8% increase in revenue;
- an 8% increase in cost of sales;
- a 13% increase in other operating costs; offset by
- an increase in gains on financial assets at fair value through profit or loss;
- a 9% decrease in other income; and
- a 20% decrease in exploration and evaluation expenditure.

Basic earnings per share (“EPS”) increased by 17% to 7.59 US cents.

Strong, Flexible Balance Sheet

Centamin continues to maintain a robust financial strategy, with cash and liquid assets(2) of US$348.9 million as at 31 December 2019. As the Company cautiously navigates the unprecedented circumstance due to the COVID-19 outbreak, we have further strengthened the balance sheet to US$379.2 million in cash and liquid assets(2), as at 31 March 2020(6) (7), reflecting the profitability of the business.

This strong financial discipline provides the flexibility to drive self-funded long-term organic growth and pursue strategic inorganic opportunities that meet our corporate strategy and investment criteria.

The Company liquidity and strength of the balance sheet, with no debt, hedging or streaming in place, is fundamental to the longevity of the business and seriously considered when assessing capital allocation. Centamin has an active growth pipeline through results-driven exploration. These self-funded projects are ranked based on results against our development criteria and prospective returns, before capital is allocated.

(1) Gross revenue from gold sales includes US$5.8 million in pre-production gold sales from Cleopatra development ore.

(2) Basic EPS, Adjusted EBITDA, cash costs of production and AISC reflect a provision against prepayments following the removal of fuel subsidies in January 2012 (refer to note 2.8 of the financial statements for further details).

(3) Cash costs of production, AISC, Adjusted EBITDA, Cash, bullion on hand, gold and silver sales debtor, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are Non-GAAP Financial Measures as defined at the end of the Financial Review section.

(4) Adjustments made to free cash flow, for example acquisitions or disposals of financial assets at fair value through profit and loss, which are completed through or add to specific allocated available cash reserves.

(5) EBITDA margin is EBITDA as a percentage of gross revenue.

(6) Unaudited, as per Q1 2020 Report, published 21 April 2020. Audited cash and liquid assets of US$348.9 million as at 31 December 2019

(7) Before 2020 first interim dividend distribution of US$69.4 million on 15 May 2020

Increased Shareholder Dividend

Maintaining a sustainable dividend policy is central to our strategy. We have a six year track record of returning surplus cash to shareholders, based on our policy linked to free cash flow generation.

Reflecting improved operating performance, and in line with the dividend policy, on 15 January 2020, the Board proposed a 2019 final dividend, for the year ended 31 December 2019, of 6.0 US cents per share (c.US$69.4 million), bringing the proposed total dividend for 2019 to 10.0 US cents per share (c.US$115.8 million), an 82% increase year-on-year or equivalent to distributing US$241 per ounce produced in 2019.

This 2019 final dividend was subject to shareholder approval at the 2020 AGM. Due to government, regulator and public health guidance around COVID-19 the timing and structure of the 2020 AGM became uncertain. After much consideration the Board resolved to declare a 2020 first interim dividend of 6 US cents per share to exactly replace the proposed 2019 final dividend, in which to provide shareholders with greater certainty and expedite payment, which was paid on the 15 May 2020. The details of the 2020 first interim dividend can be found on the Company's website: www.centamin.com and within the Q1 2020 Report, published 21 April 2020.

The cumulative shareholder returns by way of cash dividends since 2014 is c.US$570 million.

Capital Allocation

Capital allocation continues to be disciplined and closely qualified against value creation. The Company continues to exercise a balanced approach to responsibly maximising operating cash flow generation, reinvesting for future growth and prioritising sustainable shareholder returns.

In 2019 the focus was on improving operational efficiencies to achieve consistent operational performance, over growth and the capital investment was largely sustainable capital expenditure (US$85 million) and results driven exploration (US$33 million).

Outlook

Centamin's financial strategy remains consistent – maintain financial flexibility by maximising free cash flow generation through stringent cost management and disciplined capital allocation. Shareholder returns are prioritised before growth capital. In line with the dividend policy, a minimum of 30% of free cash flow is allocated to shareholders.

As part of the 2020 budget, US$50 million was identified for removal from the cost base through specific initiatives ranging from training and equipment optimisation, improvements in the supply chain and contractor management. Since the outbreak of COVID-19 the priority is the safety of the workforce and security of the operations. Whilst the Company forecasts potential additional costs and cash outflow associated with COVID-19, including a build-up in working capital through increasing stockpiles and consumables, temporarily increased payroll costs and support costs resulting from logistics planning with government curfews, we do not expect them to affect 2020 guidance.

For the years 2020 and 2021, there is a stronger focus on growth capital investment in the business, in particular at Sukari. Growth projects include construction of the hybrid solar plant, reducing the reliance on fossil fuels and improving operating costs, construction of TSF2 to extend the tailings storage capacity beyond 2030, substantial infrastructure upgrades within the underground, supporting current operations and preparing for future mining at depth, and camp and workplace facility upgrades, improving the wellbeing and standard of living on site.

As a precautionary move to protect the health and wellbeing of the workforce, non-essential capital expenditure has been temporarily deferred, including the construction of the Sukari solar plant. This is in order to minimise contractors and other non-operating traffic on and off site, while restrictions related to COVID-19 remain in place. As a result, 2020 capital expenditure is expected to be in the range of US$150–US$170 million (previously US$190 million).

The impact and potential duration of the COVID-19 pandemic remains uncertain. The Company has undertaken risk analysis scenarios and has put in place contingency plans for the business and believes it has taken prudent steps to continue to navigate these difficult times. Centamin is closely monitoring the situation, with an active response framework in place to manage and mitigate future impacts within its control.

Ross Jerrard
Chief Financial Officer

Table 1. Group Financial Summary[1]

	Units	FY 2019	FY 2018		H2 2019	H1 2019
Gold produced	oz	**480,528**	472,418	2%	246,432	234,096
Gold sold	oz	**470,020**	484,322	-3%	245,891	224,129
Cash cost of production	US$'000	**333,037**	289,394	15%	173,592	159,445
Unit cash cost of production	US$/oz produced	**699**	624	12%	706	692
AISC	US$'000	**439,317**	420,116	5%	231,956	207,361
Unit AISC	US$/oz sold	**943**	884	7%	946	940
Average realised gold price	US$/oz	**1,399**	1,267	10%	1,482	1,305
Gross revenue	US$'000	**658,111**	614,771	7%	365,266	292,845
EBITDA	US$'000	**283,968**	258,804	10%	166,654	117,314
Profit before tax	US$'000	**173,029**	152,702	13%	113,402	59,627
Basic EPS	US cents	**7.59**	6.5	17%	5.87	1.71
Capital expenditure	US$'000	**97,580**	96,778	1%	49,593	47,987
Operating cash flow	US$'000	**249,004**	223,404	11%	132,706	116,298
Adjusted free cash flow	US$'000	**74,341**	63,429	17%	38,711	35,630

(1) Cash costs of production, AISC, Adjusted EBITDA, Cash, bullion on hand, gold and silver sales debtor, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are Non-GAAP Financial Measures as defined at the end of the Financial Review section.

Consolidated statement of comprehensive income

	Year ended 31 December 2019 US$'000	Year ended 31 December 2018 US$'000
Revenue	652,344	603,248

Revenue from gold and silver sales for the period increased by 8% YoY to US$652.3 million (2018: US$603.2 million), with a 10% increase in the average realised gold sales price to US$1,399 per ounce (2018: US$1,267 per ounce) offset by a 2% decrease in gold sold to 465,687 ounces net of Cleopatra (2018: 475,362 ounces net of Cleopatra).

	Year ended 31 December 2019 US$'000	Year ended 31 December 2018 US$'000
Cost of sales	(439,285)	(406,538)

Cost of sales represents the cost of mining, processing, refining, transport, site administration, depreciation, amortisation and movement in production inventories. Cost of sales is inclusive of US$28.0 million expensed as fuel prepayments (refer to Note 2.8 of the financial statements for further information) and is up 8% YoY to US$439.3 million, mainly as a result of:

- 7% increase in total mine production costs from US$328.1 million to US$351.7 million, due to a 7% increase in open pit mining costs, a 25% increase in underground mining costs, a 4% increase in processing costs and a 18% increase in finance and administration costs offset by a 6% decrease in refinery and transport costs;
- 6% increase in depreciation and amortisation charges YoY from US$109.7 million to US$115.8 million due to higher production affecting amortisation rates and US$79.9 million increase in the cost of Property, plant and equipment (excl. capital work in progress) which increased the associated amortisation charges; and
- A positive movement in inventory adjustment of US$28.3 million compared to positive movement in inventory adjustment of US$31.3 million in 2018 reflecting the movement in mining inventory over the year.

	Year ended 31 December 2019 US$'000	Year ended 31 December 2018 US$'000
Other operating costs	(38,709)	(34,238)

Other operating costs 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 losses and the 3% production royalty payable to the Arabic Republic of Egypt ("ARE"). Other operating costs increased by US$4.5 million or 13% from US$34.2 million in 2018 to US$38.7 million in 2019, mainly as a result of:

- US$3.0 million increase in corporate costs (+ve) mainly due to advisor fees related to the Endeavour takeover bid;
- US$1.3 million increase in royalty paid to the government of the ARE (in line with the increase in gold sales revenue) (+ve);
- US$0.2 million increase in other expenses (+ve).

	Year ended 31 December 2019 US$'000	Year ended 31 December 2018 US$'000
Exploration and evaluation expenditure	(16,883)	(21,006)

Exploration and evaluation expenditure comprise expenditure incurred for exploration activities in Côte d'Ivoire and Burkina Faso. Exploration and evaluation costs decreased by US$4.1 million or 20% from US$21.0 million in 2018 to US$16.9 million in 2019 due to reduced spending in both jurisdictions.

	Year ended 31 December 2019 US$'000	Year ended 31 December 2018 US$'000
Finance income	5,817	4,815

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

	Year ended 31 December 2019 US$'000	Year ended 31 December 2018 US$'000
Profit for the year before tax	173,029	152,702

As a result of the factors outlined above, Centamin recorded a profit before tax for the year ended 31 December 2019 of US$173.0 million (2018: US$152.7 million).

	Year ended 31 December 2019 US$'000	Year ended 31 December 2018 US$'000
Tax	(112)	(53)

The Group operates in several countries and, accordingly, it is subject to the various tax regimes in the countries in which it operates. The tax expense of US$0.1 million for 2019 was associated with timings in income taxes provisions and charges.

	Year ended 31 December 2019 US$'000	Year ended 31 December 2018 US$'000
Dividend paid – non-controlling interest in SGM	(87,075)	(76,391)

During 2019, US$87.1 million was paid (2018: US$76.4 million) as dividends to the non-controlling interest in SGM, being EMRA.

Dividends paid to the non-controlling interest in SGM being EMRA, pursuant to the provisions of the Concession Agreement, are recognised as a non-controlling interest attributable to SGM at the base of the income statement of Centamin. EMRA does not own shares in Centamin, therefore Group earnings per share is calculated on the profit attributable to the owners of the parent.

The profit share payments during the year will be reconciled against SGM's audited financial statements. Any variation between payments made during the year (which are based on the Company's estimates) and the audited financial statements, may result in a balance due and payable to EMRA or advances to be offset against future distributions. SGM's June 2019 financial statements are currently being audited.

	Year ended 31 December 2019 US cents per share	Year ended 31 December 2018 US cents per share
Earnings per share attributable to owners of the parent:		
Basic (US cents per share)	**7.588**	6.497

Basic earnings per share attributable to owners of the parent of 7.59 US cents for 2019 increased when compared with 2018 of 6.50 US cents. The increase was driven by the factors outlined above.

Consolidated statement of financial position

Centamin has a strong and flexible financial position with no debt, no hedging and cash, bullion on hand, gold and silver sales debtor and financial assets at fair value through profit or loss of US$348.9 million at 31 December 2019 (31 December 2018: US$322.3 million).

	31 December 2019 US$'000	31 December 2018 US$'000
Cash and cash equivalents (note 2.16(a))	278,229	282,627
Bullion on hand (valued at the year end spot price)	29,562	11,431
Gold and silver sales debtor (note 2.7)	34,695	28,234
Financial assets at fair value through profit or loss (note 2.6)	6,454	–
Cash and cash equivalents, bullion on hand, gold and silver sales debtor and financial assets at fair value through profit or loss	348,940	322,292

The majority of funds have been invested in international rolling short term interest money market deposits.

	31 December 2019 US$'000	31 December 2018 US$'000
Current assets		
Inventories	108,957	97,550
Financial assets at fair value through profit or loss	6,454	–
Trade and other receivables	47,061	33,443
Prepayments	6,132	6,696
Cash and cash equivalents	278,229	282,627
Total current assets	446,833	420,316

Current assets have increased by US$26.5 million or 6% from US$420.3 million at 31 December 2018 to US$446.8 million at 31 December 2019 as a result of:

- US$11.4 million increase (+ve) in inventory driven by:
  - US$1.9 million increase in stores inventory (+ve);
  - US$8.0 million increase in mining inventory (+ve); and
  - US$1.5 million decrease in the provision for obsolete stores inventory (+ve).
- US$6.5 million increase in the financial assets at fair value through profit or loss which relates to an equity interest in a listed public company (+ve);
- US$13.6 million increase in trade and other receivables (including gold and silver sales debtor) (+ve);
- US$0.6 million decrease in prepayments (-ve); and
- US$4.4 million decrease in net cash (net of foreign exchange movements) (-ve) driven by the profit for the period less the payment of the 2018 final dividend of US$34.7 million, 2019 interim dividend of US$46.4 million and a US$87.1 million payment to EMRA as distributions to the NCI.

	31 December 2019 US$'000	31 December 2018 US$'000
Non current assets		
Property, plant and equipment	804,717	835,987
Exploration and evaluation asset	68,138	59,154
Inventories – mining stockpiles	52,658	32,424
Other receivables	93	88
Total non current assets	925,606	927,653

Non current assets have decreased by US$2.1 million or 0.2% from US$927.7 million at 31 December 2018 to US$925.6 million at 31 December 2019, as a result of:

- US$84.9 million increase in the cost of property, plant and equipment (+ve);
- US$116.2 million charge for depreciation and amortisation (-ve);
- US$9.0 million increase in exploration and evaluation assets, as a result of the drilling programmes in Sukari Hill (+ve); and
- US$20.2 million increase in inventory related to mine Run of Mine ("ROM") stockpiles (+ve).

	31 December 2019 US$'000	31 December 2018 US$'000
Current liabilities		
Trade and other payables	57,411	39,246
Tax liabilities	227	3
Provisions	8,589	8,155
Total current liabilities	66,227	47,404

Current liabilities have increased by US$18.8 million or 40% from US$47.4 million at 31 December 2018 to US$66.2 million at 31 December 2019, as a result of:

- US$3.8 million increase in trade payables (+ve);
- US$14.4 million increase in accruals (+ve) mainly at a corporate level related to advisor fees regarding the Endeavour bid;
- US$0.2 million increase in tax provisions (+ve); and
- US$0.4 million increase in current provisions (+ve).

	31 December 2019 US$'000	31 December 2018 US$'000
Non current liabilities		
Provisions	14,575	13,748
Total non current liabilities	14,575	13,748

Non current liabilities have increased by US$0.9 million from US$13.7 million at 31 December 2018 to US$14.6 million at 31 December 2019, as a result of an increase in the rehabilitation provision.

	31 December 2019 US$'000	31 December 2018 US$'000
Equity		
Issued capital	672,105	670,589
Share option reserve	4,179	5,688
Accumulated profits	615,353	610,540
Total equity	1,291,637	1,286,817

There has been a 1,232,400 increase in the number of issued shares over the period due to share-based payment awards vesting.

Share option reserves reported have decreased by US$1.5 million to US$4.2 million as result of:

- US$1.7 million due to the reversal of a 2016 RSP awards that didn't meet the vesting conditions (-ve);
- US$1.3 million due to the vesting of the remaining 2016 RSP awards on 4 June 2019 (-ve);
- US$1.0 million due to forfeiture of share-based payment awards on resignation (-ve); offset by
- US$2.5 million for the recognition of the share based payment expenses for the year and new share-based payment awards granted in 2019 (+ve).

Accumulated profits increased by US$4.8 million from US$610.5 million at 31 December 2018 to US$615.4 million at 31 December 2019, as a result of:

- US$173.0 million profit for the year after tax (+ve); offset by
- US$87.1 million profit share paid to EMRA in the year (-ve); and
- US$34.7 million 2018 shareholder approved final dividend and US$46.4 million 2019 interim dividend paid (-ve).

Consolidated statement of cash flows

	31 December 2019 US$'000	31 December 2018 US$'000
Cash flows from operating activities		
Cash generated from operating activities	249,048	223,791
Income tax refund received	170	–
Income tax paid	(214)	(387)
Net cash generated by operating activities	249,004	223,404

Net cash flows generated by operating activities comprise receipts from gold and silver sales and interest income, offset by operating and corporate administration costs.

	31 December 2019 US$'000	31 December 2018 US$'000
Cash flows from investing activities		
Acquisition of financial assets at fair value through profit or loss	(9,364)	–
Disposal of financial assets at fair value through profit or loss	6,799	–
Acquisition of property, plant and equipment	(81,207)	(83,454)
Brownfield exploration and evaluation expenditure	(12,198)	(4,946)
Finance income	5,817	4,815
Net cash used in investing activities	(90,153)	(83,585)

Net cash flows used in investing activities comprise exploration expenditure and capital development expenditures including the acquisition of financial assets. The primary use of the funds in the period was for purchase and disposal of an equity interest in a listed public company, purchase of property, plant and equipment and investment in underground development at the Sukari site in Egypt.

	31 December 2019 US$'000	31 December 2018 US$'000
Cash flows from financing activities		
Dividend paid – non-controlling interest in SGM	(87,075)	(76,391)
Dividend paid – owners of the parent	(81,029)	(144,567)
Net cash used in financing activities	(168,104)	(220,958)

Net cash flows used in financing activities comprise dividend payments to the non-controlling interest in SGM, being EMRA and dividend payments to the owners of the parent, being shareholders of the Group.

	31 December 2019 US$'000	31 December 2018 US$'000
Effect of foreign exchange rate changes	4,855	4,086

Effects of exchange rate changes are as a result of movements of the currencies used across the operations in the year.

Capital expenditure

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

	Year ended 31 December 2019 US$'000	Year Ended 31 December 2018 US$'000
Underground exploration	7,769	6,048
Underground mine development	36,852	37,161
Other sustaining capital expenditure	40,471	45,982
Total sustaining capital expenditure	85,092	89,191
Non-sustaining exploration expenditure (1)	8,709	7,587
Other non-sustaining capital expenditure	3,779	–

(1) Includes US$7.8 million of Sukari expenditure relating to Cleopatra in non-sustaining capital expenditure before the offset of net pre-production gold sales.

Cumulative exploration expenditure capitalised for Cleopatra at Sukari is US$23.0 million (project to date) offset by pre-production net revenues of US$17.8 million (refer to notes 2.2 and 2.3 to the financial statements for further details) resulting in US$5.2 million remaining on the statement of financial position at 31 December 2019.

Exploration expenditure

The following table provides a breakdown of the total exploration expenditure of the Group:

	Year ended 31 December 2019 US$'000	Year Ended 31 December 2018 US$'000
Greenfield exploration		
Burkina Faso	2,715	5,223
Côte d'Ivoire	14,168	15,783
Total greenfield exploration expenditure	16,883	21,006
Brownfield exploration		
Sukari Tenement	8,685	6,048
Cleopatra(1)	7,793	7,587
Total brownfield exploration expenditure	16,478	13,635
Total exploration expenditure	33,361	34,641

(1) Cleopatra expenditure before the offset of net pre-production gold sales.

Exploration and evaluation assets – impairment considerations

In consideration of the requirements of the International Financial Reporting Standards ("IFRS") 6 an impairment test has been performed. On review, no impairment was required.

	Year ended 31 December 2019 US$'000	Year ended 31 December 2018 US$'000
Foreign exchange gain, net	5,806	6,372

Foreign exchange gains have decreased from a US$6.4 million gain to a US$5.8 million gain, resulting in a US$0.6 million decrease on 2018.

Subsequent events

As referred to in note 5.2, subsequent to the year end, the Board resolved to declare a 2020 first interim dividend to replace the 2019 final dividend. The 2020 first interim dividend of 6 US cents per share (US$69.4 million), the same quantum as the previously proposed 2019 final dividend (announced on 14 January 2020), was not subject to shareholder approval and was paid on 15 May 2020 to shareholders.

The outbreak of the coronavirus COVID-19 will likely have an impact on the Group as well as on supply chain and production. Considering that the spread of the virus accelerated during the first quarter of 2020 and its impact as at 31 December 2019 was minimal, this event was classified as a non-adjusting event for accounting purposes. Given the uncertainties on scope and length as well as the ongoing developments, the Group cannot give any accurate or reliable estimates on potential quantitative impacts currently. This may result in an overall challenged and volatile market environment. The assessment on the ability of the Group to operate as going concern is disclosed under note 1.3.7.

There were no other significant events occurring after the reporting date requiring disclosure in the financial statements.

Non-gaap financial measures

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

1) EBITDA and adjusted 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 considers EBITDA 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 cost of production 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 period before tax.

Reconciliation of profit before tax to EBITDA and adjusted EBITDA:

	31 December 2019(1) US$'000	31 December 2018(1) US$'000
Profit for the year before tax	173,029	152,702
Finance income	(5,817)	(4,815)
Interest expense	569	870
Depreciation and amortisation	116,187	110,047
EBITDA	283,968	258,804
Add back/less: (2)		
Profit on financial assets at fair value through profit or loss	(3,889)	–
Impairments of non-current assets	–	–
Adjusted EBITDA	280,079	258,804

(1) Profit before tax, depreciation and amortisation and EBITDA includes a charge to reflect the removal of fuel subsidies (refer to note 2.8 to the financial statements for further details).

(2) Adjustments made to normalise earnings, for example profit on financial assets at fair value through profit or loss, impairments of property, plant and equipment, non-current mining stockpiles and exploration and evaluation assets.

2) Cash cost of production per ounce produced and sold and all-in sustaining costs per ounce sold calculation

Cash cost of production and AISC are non-GAAP financial measures. Cash cost of production 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 sustaining administrative expenses, royalties, depreciation and amortisation. Management uses this measure internally to better assess performance trends for the Company as a whole. Management considers 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. Management considers 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 cost of production 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.

During June 2013 the World Gold Council ("WGC"), an industry body, published a Guidance Note on the 'all in sustaining costs' 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 cost associated with developing and maintaining gold mines. In addition, this metric includes the cost associated with 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 US$/oz is arrived at by dividing the dollar value of the sum of these cost metrics, by the ounces of gold sold (as compared to using ounces produced which is used in the cash cost of production calculation).

On 14 November 2018 the World Gold Council published an updated Guidance Note on 'all-in sustaining costs' and 'all-in costs' metrics. Per their press release it was expected that companies have chosen to use the updated guidance from 1 January 2019 or on commencement of their financial year if later. The Group have applied the updated guidance from 1 January 2019 with no impact on our results or comparatives.

Reconciliation of cash cost of production per ounce produced:

		31 December 2019[(1)]	31 December 2018[(1)]
Mine production costs (note 2.3)	US$'000	351,745	328,090
Less: Refinery and transport	US$'000	(1,415)	(1,508)
Movement of inventory[(2)]	US$'000	(17,293)	(37,188)
Cash cost of production – gold produced	US$'000	333,037	289,394
Gold produced – total (oz.) (excluding Cleopatra)	oz	476,195	463,459
Cash cost of production per ounce produced	US$/oz	699	624

(1) Mine production costs, cash cost of production, cash cost of production per ounce, AISC and AISC per ounce sold includes prepayments recorded since Q4 2012 to reflect the removal of fuel subsidies (refer to note 2.8 to the financial statements for further details).

(2) The movement in inventory on ounces produced is only the movement in mining stockpiles and ore in circuit while the movement in ounces sold is the net movement in mining stockpiles, ore in circuit and gold in safe inventory.

A reconciliation has been included below to show the cash cost of production metric should gold sold ounces be used as a denominator.

Reconciliation of cash cost of production per ounce sold:

		31 December 2019[1]	31 December 2018[1]
Mine production costs (note 2.3)	US$'000	351,745	328,090
Royalties	US$'000	19,701	18,396
Movement of inventory[2]	US$'000	(28,254)	(31,296)
Cash cost of production – gold sold	US$'000	343,192	315,190
Gold sold – total (oz.) (excluding Cleopatra)	oz	465,687	475,362
Cash cost of production per ounce sold	US$/oz	737	663

(1) Mine production costs, cash cost of production, cash cost of production per ounce, AISC and AISC per ounce sold includes prepayments recorded since Q4 2012 to reflect the removal of fuel subsidies (refer to note 2.8 to the financial statements for further details).

(2) The movement in inventory on ounces produced is only the movement in mining stockpiles and ore in circuit while the movement in ounces sold is the net movement in mining stockpiles, ore in circuit and gold in safe inventory.

Reconciliation of AISC per ounce sold:

		31 December 2019[1]	31 December 2018[1]
Mine production costs (note 2.3)	US$'000	351,745	328,090
Movement in inventory	US$'000	(28,254)	(31,296)
Royalties	US$'000	19,701	18,396
Sustaining corporate administration costs	US$'000	11,610	15,909
Rehabilitation costs	US$'000	410	870
Sustaining underground development and exploration	US$'000	44,621	43,209
Other sustaining capital expenditure	US$'000	40,471	45,982
By-product credit	US$'000	(987)	(1,044)
All-in sustaining costs[2]	US$'000	439,317	420,116
Gold sold – total (oz.) (excluding Cleopatra)	oz	465,687	475,362
AISC per ounce sold	US$/oz	943	884

(1) Mine production costs, cash cost of production, cash cost of production per ounce, AISC and AISC per ounce sold includes prepayments recorded since Q4 2012 to reflect the removal of fuel subsidies (refer to note 2.8 to the financial statements for further details).

(2) Includes refinery and transport.

	31 December 2019 US$'000	31 December 2018 US$'000
Corporate costs		
Sustaining corporate costs	11,610	15,909
Non-sustaining corporate costs[1]	7,318	–
Corporate costs (sub-total) (note 2.3)	18,928	15,909

(1) Please note that non-sustaining corporate costs relate to accruals recognised for work performed by the Group's advisors on the successful defence of the Endeavour all-share acquisition attempt of Centamin plc. This is not a normal cost incurred in the day-to-day operations of running the Group and as such has been excluded from our Non-GAAP reporting measures.

3) Cash and cash equivalents, bullion on hand, gold and silver sales debtor and financial assets at fair value through profit or loss

Cash and cash equivalents, bullion on hand, gold and silver sales debtor and financial assets at fair value through profit or loss is a non-GAAP financial measure. Cash and cash equivalents, bullion on hand, gold and silver sales debtor and financial assets at fair value through profit or loss is a measure of the available cash and liquid assets at a point in time. Management uses this measure internally to better assess performance trends for the Company as a whole. Management considers 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. Management considers 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 and cash equivalents, bullion on hand, gold and silver sales debtor and financial assets at fair value through profit or loss 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 cash and cash equivalents as determined under GAAP. This is a non-GAAP financial measure and other companies may calculate these measures differently.

Reconciliation to cash and cash equivalents, bullion on hand, gold and silver sales debtor and financial assets at fair value through profit or loss:

	31 December 2019 US$'000	31 December 2018 US$'000
Cash and cash equivalents (note 2.16(a))	278,229	282,627
Bullion on hand (valued at the year end spot price)	29,562	11,431
Gold and silver sales debtor (note 2.7)	34,695	28,234
Financial assets at fair value through profit or loss (note 2.6)	6,454	–
Cash and cash equivalents, bullion on hand, gold and silver sales debtor and financial assets at fair value through profit or loss	348,940	322,292

4) Free cash flow and adjusted free cash flow

Free cash flow is a non-GAAP financial measure. Free cash flow is a measure of the available cash after distributions to the non-controlling interest ("NCI") in SGM, being EMRA, that the Group has at its disposal to use for capital reinvestment and to distribute to shareholders of the parent as dividends in accordance with the Company's dividend policy. Management uses this measure internally to better assess performance trends for the Company as a whole. Management considers 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. Management considers 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. Free cash flow 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. This is a non-GAAP financial measure and other companies may calculate these measures differently.

	31 December 2019 US$'000	31 December 2018 US$'000
Net cash generated by operating activities	249,004	223,404
Less:		
Net cash used in investing activities	(90,153)	(83,585)
Dividend paid – non-controlling interest in SGM	(87,075)	(76,391)
Free cash flow	71,776	63,428
Add back:		
Net acquisitions of financial assets at fair value through profit or loss[1]	2,565	–
Adjusted free cash flow	74,341	63,428

(1) Adjustments made to free cash flow, for example acquisitions and disposals of financial assets at fair value through profit or loss, which are completed through specific allocated available cash reserves.

RISK MANAGEMENT AND PRINCIPAL RISKS

Risk management allows the Board to make informed, timely and accurate decisions, allowing delivery of its objectives.

"A COVID-19 EXECUTIVE COMMITTEE HAS BEEN ESTABLISHED TO PROVIDE OPERATIONAL OVERSIGHT DURING THE PANDEMIC, FURTHERMORE AN ESTABLISHED SITE SUPPORT FRAMEWORK IS IN PLACE WHICH INCLUDES DAILY WORKFORCE AND SUPPLY CHAIN RISK REVIEWS."

MARK ARNESEN
CHAIRMAN OF THE AUDIT AND RISK COMMITTEE

Dear Shareholder,

I am pleased to present the Group's principal risks and uncertainties report for the year ended 31 December. As you will be aware the recent COVID-19 pandemic has impacted businesses globally, we provide more detail on COVID-19 in the Strategic Report on page 20. We recognise the severity of the potential risks which have arisen from COVID-19 so have reflected this as a new and emerging risk at this stage, as the potential impacts arising from this are still developing due to the dynamic nature of this pandemic.

Centamin recognises that nothing is without risk. A successful and sustainable business needs an effective risk management framework as its foundation, to allow for a strong understanding of the risks and opportunities that will allow for more informed decision making. The framework should be supported by a strong culture of risk awareness, that encourages openness and integrity, alongside a clearly defined appetite to risk. This empowers the Board to make informed, timely and accurate decisions, allowing for the successful delivery of its objectives.

Building on the progress made in 2018, we have continued to develop our approach to risk throughout the Group. Acknowledging how quickly the world is changing, the Board refreshed the risk management framework to ensure it effectively supports the identification and assessment of the risks we face as a business.

Across our operations in Egypt and West Africa, we have taken steps to build a fuller picture of our emerging risks at an operational and corporate level. Whilst the Board, Executive and senior management review, challenge and monitor risk on a day-to-day basis, the Group has continued to develop a risk aware culture across its operations in Sukari and West Africa.

Ultimately, our risk management framework as shown below in Risk oversight and accountability ensures we robustly assess our principal risks, that new and emerging risks are discussed and aids our overall assessment of whether the Group is adequately prepared for the potential opportunities and threats they present.

Risk Management Progress in 2019

- The key focus of 2019 was to refresh our approach to risk management. Management had support from PwC to roll out and embed our updated framework, across our operations and support functions. More details can be found in the following case study. 'A refreshed approach to risk management'
- Within our framework, we formalised the risk reporting process through to management, the Audit and Risk Committee and the Board. We also established risk ownership and designated roles and responsibilities throughout the Group
- We developed the 'bottom-up' view of risk across the Group. This included a refresh of our operational and central function risk information and the appointment of risk owners within Egypt and West Africa

We achieved the above through extensive engagement and time on site with senior management and personnel in Egypt and West Africa.

Case Study

A REFRESHED APPROACH TO RISK MANAGEMENT

It was a priority of both the Board and senior management to refresh our approach to risk management throughout 2019.

We recognise that effective risk management, internal control and governance are becoming increasingly elevated on the agenda of our stakeholders. To this end, we support recent changes in standards and have fully adopted the provisions of the 2018 UK Corporate Governance Code ("2018 Code").

Supported by the new leadership team, we set the following objectives for the year:

1. **The 'bottom-up' view of risk** – Establish 'bottom-up' risk structures and processes to better understand the risk profile of our operations and developments
2. **New and emerging risks** – Embed a methodology for the assessment and evaluation of new and emerging risks facing the business, and
3. **Risk awareness, culture and communication** – Develop a culture of risk awareness and understanding throughout our operations in Egypt, West Africa and at a Corporate level.

Each of these objectives were achieved through extensive engagement, and time on site, with senior management and personnel in Egypt and West Africa. We also continued our relationship with the Risk Assurance team at PwC, who supported us with guidance and ensured alignment to recognised good practice. Below, we have outlined our approach to this delivery:

1) 'Bottom-up' view of risk

The primary objective was to embed our risk management framework throughout our operations. This included establishing a risk-reporting process and structures to ensure risks are escalated appropriately through to management, the Audit & Risk Committee and the Board.

We also completed a refresh of our operational and central function risk information including establishing clear risk ownership, roles and responsibilities across Egypt and West Africa. We achieved this through the completion of a series of risk awareness sessions on site, facilitated by management and supported by PwC.

2) New and emerging risks

Aligned to recent changes in the 2018 Code we looked to better understand and refine our methodology for assessing new and emerging risks facing the Group. This included the introduction of monthly risk-focused meetings for all operational activities and the introduction of the IsoMetrix Risk Management System for use in the operations which we are rolling out through 2020.

Each of these activities support the Group in making more effective strategic and operational decisions as well as better preparing us for any opportunities or threats we may encounter.

3) Risk awareness, culture and communication

As well as embedding our risk reporting and escalation process, we aimed to further develop our risk awareness culture and ways of working throughout the business. Improving our culture and communication helps us to ensure the strategic aims of the business are understood, we are capable of embracing innovation at a site level and understand where areas of risk need to be managed effectively.

An example of this initiative, in action, is where we have introduced daily 'safety-shares' across the operations, appointed the Head of Risk in 2019 who then started in March 2020, as well as improved reporting systems to enable more relevant and timely information sharing through the heads of department, senior management and the executives.

Craig Murray
Head of Risk

RISK MANAGEMENT IN 2020:

Throughout 2020 the Board will take the following steps:

- **Ensure that we continue to drive our response to the COVID-19 pandemic including the potential risks and impacts this may bring to the Group**
- **Continue enhancing our existing governance and oversight structures including the appointment of a Head of Risk who started in March 2020**
- **Support the Head of Risk in the execution of our strategy and the management of any risks that may adversely impact, or those opportunities which could improve our performance. They will work closely with the head office team, reporting directly to the CEO in order to provide assurance and implement Board and Audit and Risk Committee led recommendations over the businesses systems of risk and internal control**
- **Introduce the IsoMetrix risk software across our operations. IsoMetrix will support the integration of our governance, risk and compliance activities. This will allow for greater analysis and insight into our risk profile and allow for more informed decision-making**
- **Continue to hold awareness workshops with our workforce to embed our values and cultural identity as a leading operator, dedicated to improving health, safety and wellbeing**
- **Further evolve our approach to risk including the introduction of quarterly reporting by each operating unit. This will increase understanding of risk across the operations and improve our ability to manage any areas of concern as required**
- **Continue to assign oversight and review to the Audit and Risk Committee over all operational and corporate risks, providing recommendations and seeking assurance as deemed appropriate**
- **Complete its periodic assessment of new and emerging risks facing the Group**
- **Continue to, at least annually, hold a session on strategy with risks and opportunities at the heart of the discussion. This will also act as an opportunity to further develop the Board's collective and individual risk appetite.**

The management of risk through identification, monitoring and mitigation allows the Group to improve its decision-making process, deliver on its objectives and improve its performance as a mining company.

The Board has overall responsibility for establishing a robust risk management framework that allows for the assessment and management of material corporate and operational risks. In addition, the Board is responsible for articulating the Group's risk appetite against the principal risks.

The Board reviews existing, new and emerging risks in the context of both opportunities and potential threats. This is then applied when challenging the strategic objectives of the Company that underpin the business model.

The Group's risk management framework (the "Framework") outlines the business approach and process for management of risk.

Risk oversight and accountability

As shown in the table and diagram below, ultimate accountability for risk management lies with the Board, supported by the Audit and Risk Committee. We have acknowledged the importance of developing our approach to risk management through the appointment of the Head of Risk with a remit for further development of the framework allowing identification, assessment, mitigation and monitoring of risks throughout the business.

Our Framework ensures we have in place the three clear lines of defence, whilst ensuring the information that flows from the reporting lines is relevant with timely and can genuinely support the Board's strategic decisions.

FIRST LINE OF DEFENCE

- Responsible for implementing framework and providing assurance to the Executive
- Monitoring of management controls
- 'Bottom-up' risk identification, assessment and monitoring

SECOND LINE OF DEFENCE

- The Board is ultimately responsible for risk management supported by the Executive & Senior Management and the Head of Risk
- Executive ensure the Framework is implemented across Centamin
- Central functions provide assurance to the Executive and Head of Risk, plus provide oversight across key functions

THIRD LINE OF DEFENCE

- ARC independently reviews the adequacy and effectiveness of risk, has oversight of the policies setting the Framework and oversees the implementation of risk management
- IA provides assurance to senior management and the Audit and Risk Committee on the effectiveness of the Framework

Risk Reporting

Further details of the work of the Audit and Risk Committee are set out in the Audit and Risk Report along with details of the internal risk reporting on page 135. Importantly, a key area of focus will be in developing a fresh reporting platform, developed from an operational level up through the reporting channels, to enhance the information provided to the Board and to aid decision making.

The Executive and senior management review, challenge and monitor ongoing risks on a day-to-day basis. The consolidation and analysis of this information is assessed on a quarterly basis and reported to the Board through the Audit and Risk Committee.

New and emerging risks

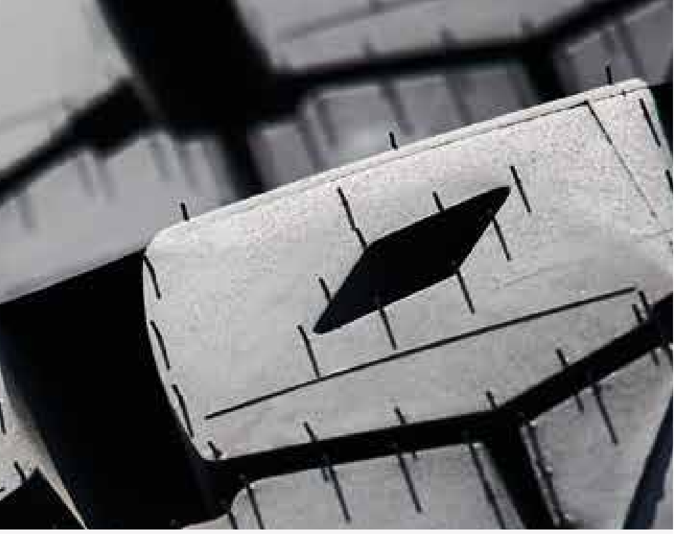
Due in part to the nature of the business as an operating mining company, the headline principal risks, whilst fundamental to the ongoing operation, remain constant. The Audit & Risk Committee and Board regularly review the principal risks as well as the wider operational, corporate and general business risks including a discussion on new and emerging risks.

Management consider the business reports and risk registers as well as full details and corrective actions of all high level incidents, leading indicators, hazard identification and any resulting procedural changes. During 2019, management have also introduced a monthly risk-focused meeting covering all operational activities as well as the IsoMetrix Risk Management system. This tool allows the business to better analyse and aggregate its risk information and to identify risk trends.

Periodic incident and other operational reports, updates to the operational risk registers and regular communication with the site General Manager ("GM") allow management to assess emerging risks or secondary risks that may elevate to principal risks. By identifying emerging risks or changes in the secondary or tertiary risk registers early, management are able to consider policy or procedural changes to mitigate the risk. Additional resources or training needs may be identified. At an operational level, opportunities may exist to improve the safety environment and efficiency of the operations. Opportunities may also exist at a strategic or corporate level and will be discussed in the context of wider strategy setting. The use of insurance, consultants and specialists to help mitigate risks may also be an option.

Below we have outlined a non-exhaustive list of emerging risks assessed during the year. These risks are reflected within our principal risks where possible but the Company recognises the need to summarise those new and emerging risks which have been considered.

We also recognise the global pandemic of COVID-19 as a threat which brings a number of potential risks to our people and business. Management have completed a risk assessment of the potential risks, their impacts to our people and business and have taken steps to develop a dynamic action plan at a corporate and site level supported by resources focusing on our response day to day. We have covered this in greater detail in the Strategic Report on page 20.



Coronavirus (COVID-19)

Thus far in 2020, COVID-19 has significantly impacted the world, presenting an unprecedented medical, economic and social challenge. Centamin has been proactive in how it manages and mitigates the impacts within its control. As of 18 May 2020, Centamin has no recorded cases of COVID-19 on-site and has experienced no material disruption to operations, supply chain or gold shipments. The Company has, however, put in place contingency plans to deal with various possible disruption in the coming months. Furthermore, we recognise the macro-economic uncertainty this has created including volatility in the markets. The scale and duration remains uncertain but we recognise this could impact our financial condition which we continue to monitor and are prepared to manage accordingly.

Environment and Sustainability

In an ever-changing world, we acknowledge that we have a responsibility to meet our environmental and sustainability commitments and obligations.

Climate Change

At Centamin, we recognise that climate change is a growing global risk. We also acknowledge that it is directly influenced by human and business activity that requires decisive global action. Failure to act could have significant impacts for our business including regulatory, transition and physical risks.

Further details on our approach to ESG activities can be found in our standalone 2019 Sustainability Report which will be published in June 2020.

Tailings Storage Facility

Across the industry there is increased focus on the risks associated with mining companies' tailings facility. We continue to monitor this risk, completing regular internal and external technical reviews of the facility. We are also developing a new facility for 2021.

Corporate Action

In light of recent events, management must be ready to evaluate approaches and opportunities to ensure value for shareholders is maintained and enhanced. The Board will continue to review any approaches to ensure the interests of its shareholders are protected.

Retention of Personnel

Any future changes in senior positions across the business must be managed carefully, to ensure consistent delivery of the Company's values and that the workforce remains well supported.

Governance and Regulation

Non-compliance with the regulatory and legal environment has the potential for significant negative publicity as well as fines and penalties. The management team ensures it has access to legal, regulatory and compliance support across all of its jurisdictions.

Business Development

Egypt continues to represent a significant opportunity for exploration and future development for the Company which we are well placed strategically to consider. The opportunity has been enhanced as the government makes progress towards a new mining law and new commercial terms for exploration in the region. All new or potential land holdings for exploration will need to be carefully considered and appropriately risk assessed.

Capital Projects

Ensuring capital projects are managed within time and budget is an emerging risk under review due to the ongoing situation with COVID-19. These include the potential Solar plant at Sukari, the development of the new TSF2 and feasibility studies to assess the viability of an operation in Côte d'Ivoire.

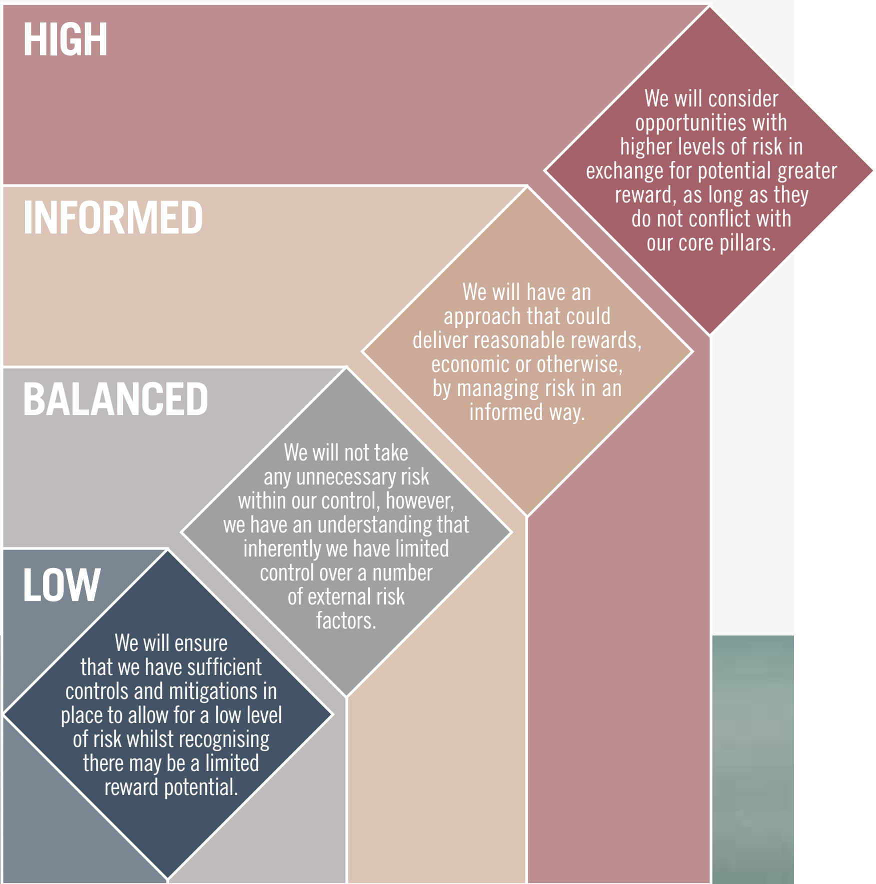
Local Security – West Africa

Increased militant activity in West Africa has caused concern for safety in-country. This will be monitored closely and local Gendarmes and Centamin security personnel are being consulted.

Risk Appetite

The Board accepts that 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. The Group therefore takes an informed approach to these risks, accepting their inherent nature whilst looking to ensure we recognise and maximise any opportunities that they create. In considering risk appetite, the Board considered the level of acceptable risk (tolerance), the attitude and culture towards risk and the ways in which the Board can influence risk appetite throughout the Group.

Risk Appetite defined



In considering risk appetite, the Board is clear that the Group has:

- A low appetite to breaches in our policies and controls to health, safety and environment (HSE). The Board invests heavily in a programme of continuous improvement in HSE practices and has an expectation to meet the highest standards
- A balanced risk appetite towards meeting our regulatory and legal obligations, whilst considering the potential impact of external risks such as commodity prices, geopolitical change and achieving production estimates
- An informed risk appetite towards the achievement of its strategic objectives, where risks are reduced to reasonably practicable levels, such as gold production or reserves and resources, and
- Opportunistic view demonstrating a high appetite in pursuit of mineral exploration and development

The Board agreed that due to the nature and inherent risks associated with an operating mining company, the Board overall accepts a higher risk appetite, however this needs to be managed within acceptable limits by having appropriate safeguards in place.

The principal risks identified by the Board and disclosed below, evidence the extent of potential consequences inherent in operating a large-scale mining operation and we have included our view on the appetite to these risks at a point in time at the end of 2019, however it should be noted that these risks are discussed regularly, and our appetite could change based on a number of factors. The Board assesses regularly the measures to mitigate these risks and limit the likelihood of incidents.

> "THE DIRECTORS CONFIRM THAT A ROBUST ASSESSMENT OF THE PRINCIPAL RISKS IMPACTING THE COMPANY HAS BEEN UNDERTAKEN."

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.

During the year there have been substantial changes to the senior management team on site. The personnel changes sought to address the production issues experienced in 2018 and whilst there was a small shortfall against guidance in 2019, the production profile and predictability of delivery was much improved.

Of particular note is the susceptibility of a change in the estimated average grade delivered from the underground operation at Sukari and reliability of low-grade ore from the open pit. A reduction in grade, or mining efficiency, can significantly affect production levels, which could have a material impact of annual production guidance. The quality of personnel, management and oversight in preparing and delivering the mine plan can all significantly impact the reliability and successful extraction of high-grade material and efficient extraction of low-grade material.

Resourcing of the technical services area in the underground operation, exploration team and open pit have been crucial in understanding this complex yet high-grade ore body at Sukari. At a financial level, an impairment review was carried out, details of which are set out in page 163.

The Directors confirm that a robust assessment of the principal, new and emerging risks impacting the Company has been undertaken which identified principal, strategic and operational risks at a corporate level through to those impacting our operations in Egypt and West Africa.

Risk Likelihood and Impact

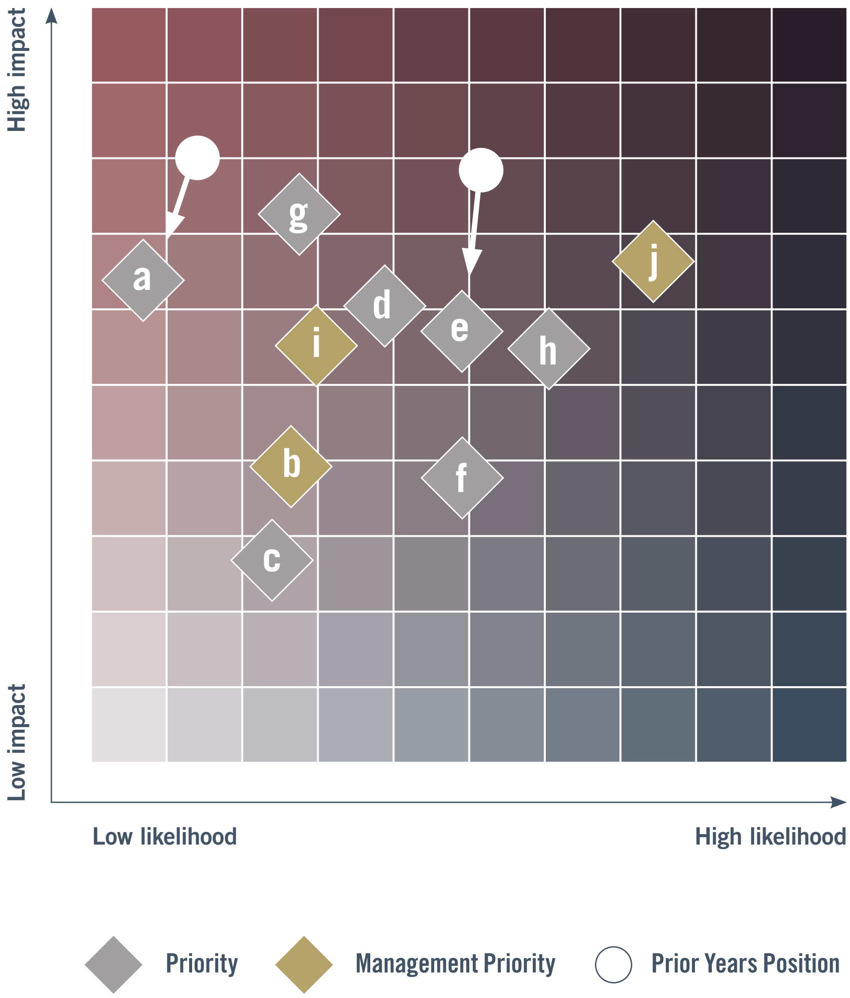
The Board considers the principal risks both in terms of their relative ‘likelihood’ to occur, given the mitigating factors in place, and their relative ‘impact’, should an event materially impact on the business.

The graph depicts management’s priorities and of particular note is the greater emphasis on delivering our production estimates. This elevated risk relates to the reliability of the underground mining operation at Sukari to deliver both tonnes and high-grade material.

Our social license to operate remains a high priority and whilst appropriate mitigation is in place, relations with our partner, EMRA, remain of significant importance and a priority of management.

We recognise with the recent COVID-19 pandemic that a number of these risks could be further impacted, we are considering this impact and have mitigations in place to minimise the likelihood and impact this may have. However, due to the changing nature of the pandemic we are keeping the risk disclosure consistent with the discussion held to date and have addressed the key points on page 20.

The current status of the principal risks affecting Centamin and its operational and exploration activities, together with the measures to mitigate risk, are detailed in the section ‘Principal risks’.



Strategic

- **a** Single Project Dependency
- **b** JV Risk and Relationship with EMRA
- **c** Jurisdictional Taxation Exposure

External

- **d** Gold price
- **e** Political Risk – Sukari
- **f** Political Risk – West Africa
- **g** Litigation

Operational

- **h** Exploration Development
- **i** Reserve and Resource Estimate
- **j** Failure to Achieve Rroduction Estimates

Trend Key
W Slightly worse
C Consistent
I Slightly improved

PRINCIPAL RISK	TREND	NATURE OF RISK
Strategic Risk Loss of revenue due to single project dependency Link to strategy	I	The Sukari Gold Mine currently constitutes Centamin's main mineral resource and sole mineral reserve, near-term production and revenue. Whilst the resource base in West Africa is growing, the regional exploration is not sufficient to support the development of a mining operation at the time of reporting. We recognise the COVID-19 pandemic may impact this risk but have covered this further on page 20. Until further production growth beyond Sukari is identified, the potential impact remains high and safeguarding the project is paramount to the Company. The identification of significant resources in Côte d'Ivoire and timeline to build an operation in the region has resulted in an improving trend.
Strategic Risk Sukari Gold Mine relationship with our partners EMRA Link to strategy	C	Whilst Centamin retains control over the project, the holding company, SGM, is jointly owned by the Company's wholly owned subsidiary, PGM and EMRA with equal board representation from both parties. The board of SGM operates by way of simple majority. Should a dispute arise which cannot otherwise be amicably resolved, arbitration or other proceedings may need to be employed. 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.
Strategic Risk Jurisdictional taxation exposure Link to strategy	C	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 on the Company's ability to repatriate revenues. A key milestone under the terms of the Sukari Concession Agreement is the entitlement to a further 15-year exemption from any taxes imposed by the Egyptian government on the revenues generated from the Sukari Gold Mine. The application by PGM and EMRA to extend the tax free period for a further 15 years is due in April 2025, and a condition to the renewal is that there are no tax disputes outstanding from the initial period as well as certain planned exploration activities on the concession as agreed between the parties.

MITIGATION	COMPANY OBJECTIVE/STRATEGY	RISK APPETITE
Sukari Gold Mine: the project at Sukari has two distinct ore sources (open pit and underground), 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 process plant has been fully operational for over two years, which shows the resilience of the project. In addition, the plant is fed by both the open pit and underground operation, providing higher and lower-grade ore to the processing plant. Operational activity and production is expected to continue at above nameplate capacity. Other mitigating factors, outside the single project at Sukari, include the continued focus on longer term growth and expansion through exploration and acquisition targets both inside and outside of Egypt.	At Sukari, the process plant has been designed with sufficient resilience and redundancies within the operating cycle. The exploration projects across the business provide a well-balanced project pipeline, with potential to add incremental shareholder value by increasing production across the Group. The regional exploration on the licence portfolio in West Africa continues. A maiden reserve is targeted for 2021 at the Doropo Project, with potential revenue generation in the future.	**Level: Informed** Risk appetite is at an acceptable level, with appropriate levels of mitigation in place to reduce the likelihood of significant loss of revenue due to single project dependency.
Maintaining relations: with the onset of profit sharing with EMRA last year, managing timing and quantum of payments, as well as applying and interpreting certain provisions of the Concession Agreement, is important in maintaining a good relationship with EMRA. Future expenditure and recovery of qualifying capital expenditure will also need to be managed, to be appropriately cost recovered by the Company.	A key objective of the Company is to maintain our social license to operate. This is achieved through co-operation, regular meetings and correspondence with EMRA, as well as making sure that the terms and conditions of the Concession Agreement governing the mine are fully complied with.	**Level: Balanced** Risk appetite is at an acceptable level, with appropriate levels of mitigation in place.
Tax exposure: the Group engages tax advisers to provide local advice at an operational level as well as corporate and structuring advice at a corporate level. The Company has developed a global tax strategy to take account of the required regulations relevant to Centamin. The Company's strategy is to ensure taxes are paid at an operational level and tax leakage is reduced through the holding structure. In respect to extending the tax exemption, the Board do not foresee any issues in the granting of this approval in line with the conditions summarised in the adjacent paragraph and continue to monitor compliance to allow the extension to be granted in the near future.	To minimise the complexity of the corporate structures ensuring tax neutrality within the holding group entities.	**Level: Balanced** Simplification of the structure is ongoing; however, the mitigation in place is at an acceptable level and therefore operating within the parameters of our current risk appetite.

Trend Key

- W Slightly worse
- C Consistent
- I Slightly improved

PRINCIPAL RISK | TREND | NATURE OF RISK

External Risk
Gold price

Link to strategy

The extent of the Company's financial performance is due in part to the price of gold, which the Company has no influence over. Revenues from gold sales are in US dollars and Centamin has exposure to costs in other currencies including Egyptian pounds, Australian dollars and sterling.

Centamin manages its exposure to gold price by keeping operating costs as low as possible.

External Risk
Political risk – Egypt

Link to strategy

The Company's operational activities are primarily in Egypt, a country that 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, repatriation of income and capital. Changes may also impact the ability to import key supplies and export gold.

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. Law no. 32 has been confirmed by Parliament, although it remains subject to a challenge in the Supreme Court.

The issuing of the new mining regulations in January 2020 provides further optimism for a healthy mining industry to prosper in Egypt.

External Risk
Political risk – West Africa

Link to strategy

Burkina Faso

Côte d'Ivoire

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.

The worsening political and security situation in Burkina Faso denotes a downward trend on the Company's exposure to political risk. In Côte d'Ivoire, the relative stable government and strong exploration results provide a consistent trend.

External Risk
Litigation

Link to strategy

Centamin's finances, and its ability to operate in Egypt, may be 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.

MITIGATION	COMPANY OBJECTIVE/STRATEGY	RISK APPETITE
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.	The Company does not currently hedge against the price of gold or exposure to currencies.	**Level: Balanced** The strategy is aligned with the risk appetite of the Company. The Board does not take any unnecessary risks in relation to the price of gold recognising that this risk is outside the Board's control influenced by external factors.
The Concession Agreement with EMRA and the Egyptian government was ratified 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. This law received full parliamentary approval as required by Egyptian law.	Maintain a detailed understanding of the political environment in which we operate as well as a constructive relationship with government. The Company undertakes to abide by the spirit and letter of the Concession Agreement as well as local laws and regulations.	**Level: Balanced** The Company operates within acceptable limits and the operation has continued to be unaffected despite a number of major political events occurring in Egypt. The Company supports Egypt's development of a modern mining code.
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. Centamin actively monitors legal and political developments, engaging in dialogue with relevant government and legal policymakers to discuss all key legal and regulatory developments.	Maintain relationships with all key stakeholders, including regional governments, landowners and local chiefs. The Company meets its environmental and operational commitments set out in the permits/grants and local laws/regulations.	**Level: Balanced** The Company operates within acceptable limits.
In order to mitigate this risk Centamin has (a) taken appropriate legal advice and continues actively to pursue its legal rights with respect to its existing cases (its legal advisers believe that Centamin will ultimately be successful in both of these cases); and (b) actively monitors activity in both court and local media for signs of any legislative or similar 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; the Egyptian government's support of Centamin's investment; Law no. 32 of 2014 that should protect Centamin against litigation by third parties; and the fact that Egypt and Australia (PGM's place of incorporation) have in place a bilateral investment treaty.	To minimise exposure to litigation and reduce the impact of actions by complying with all relevant laws and regulations and to defend and/or bring any actions necessary to protect the Company's assets, rights and reputation.	**Level: Balanced** The Company is operating within its risk appetite parameters and the mitigation in place is at an acceptable level.

Trend Key

- W Slightly worse
- C Consistent
- I Slightly improved

PRINCIPAL RISK | TREND | NATURE OF RISK

Operational Risk

Failure to achieve exploration development success

Link to strategy

Time and costs of brownfields exploration activity are recognised as exploration and evaluation assets ("E&E assets") on the statement of financial position. E&E assets continue to be carried on the balance sheet where there is ongoing planned activity and the right of tenure is current.

There can be no guarantee that an exploration project progresses to an economic resource and therefore there remains a risk that E&E assets are partially or fully impaired during a financial period where either a decision is made to discontinue a project or no further activity is scheduled.

Operational Risk

Reserve and resource estimate

Link to strategy

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, grade downgrades 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.

Operational Risk

Failure to achieve production estimates

Link to strategy

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 Board recognises that whilst operational performance stabilised in 2019, the period in Q3 2019 was challenging, with an improving production profile across Q4 2019 that helped ensure delivery of production at slightly below the lower end of guidance in 2019.

Further we recognise the potential impact of COVID-19 which we have addressed on page 20 as of the time of publishing there was no additional concerns.

ASSET QUALITY | STAKEHOLDER RETURNS | FINANCIAL FLEXIBILITY | SUSTAINABILITY | ACTIVE GROWTH PIPELINE

MITIGATION	COMPANY OBJECTIVE/STRATEGY	RISK APPETITE
The exploration for precious metal may not be successful and is highly speculative in nature. Before undertaking any exploration projects, a full risk assessment in undertaken covering country risk, industry risks as well as a detailed technical review of the underlying geological data available. Management implements systematic drilling programmes across its exploration projects, with costs aggregated appropriately to licence areas and prospects. Commitments associated with licence renewals may require further negotiation with governments to either renew or extend existing permits that may be subject to expiry.	To ensure a progressive pipeline of greenfield and advance-stage exploration projects to serve the next stage of growth for the Company. Ensure systematic exploration programmes are carried out with costs attributed to licence areas and prospects so that they can be assessed for impairment.	**Level: High** The Company operates its exploration programmes within acceptable risk appetite parameters, with a results-driven approach to future exploration and an opportunistic mind set when evaluating new ground or projects.
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 report was completed in Form 43-101 dated 23 October 2015 and is available at www.sedar.com. The latest updated reserve and resource statement for Sukari was announced on 18 May 2020 with an effective date of 18 July 2019. Preliminary resource statements have been provided for Doropo and the ABC Project in Côte d'Ivoire as well as Konkera in Burkina Faso.	To achieve reliable and consistent production, whilst optimising the potential of the operation. The Company provides timely and accurate information to the market on production levels and forecasts.	**Level: Informed** The Company operates within acceptable risk appetite parameters. Details of the Reserve and Resource estimates as at 18 July 2019 are set out in the supplementary information to the Annual Report and explained further in the Operational Review.
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; skilled and motivated labour force; processing capacity and maintenance policies; and logistics for consumables and parts.	To achieve reliable and consistent production, whilst optimising the potential of the operation. The Company provides timely and accurate information to the market on production levels and forecasts.	**Level: Informed** The Company operates within acceptable risk appetite parameters.

VIABILITY STATEMENT

To address the requirements of provision 31 of the 2018 UK Corporate Governance Code ("the Code") the Directors have assessed the prospects of the Group over a period of five years.

Period of Assessment

Mining is a long-term business and timescales can run into decades. The Group maintains a life of mine plan covering the full remaining mine life of its sole operation, the Sukari Gold Mine. However, the Company's planning process includes a detailed one-year financial budget and medium-term five-year outlook in line with the strategy. Accordingly, a period of five years has been selected as the appropriate period over which to assess the viable prospects of the Group.

Viability Assessment

The Board assessed the current position and prospects of the Group, taking account of the potential impact of the principal risks to the Group's business model and ability to deliver its strategy, including solvency and liquidity risks during the five-year assessment period. The Board considered the key strategic drivers, which are based around the Company's five strategic priorities: sustainability, asset quality, financial flexibility, stakeholder returns and an active growth pipeline, as set out on pages 26 to 27.

Sukari updated Mineral Resource and Reserves statement ("R&R") (ref to the Supplementary Information section) underpins the long-term sustainability of the operation with a life of mine of 16 years based on 12 million tonne per annum nameplate throughput. Further to this, exploration at Sukari has demonstrated the potential for significant resource growth with a five-year exploration programme in place.

The Directors have assessed the principal risks which could impact the prospects of the Group over this period and consider the most relevant to be risks to the gold price outlook and impacts of COVID-19. COVID-19 has raised the inherent likelihood of multiple principal risks to the Group so we have considered this during the assessment below.

Key assumptions

The key assumptions underpinning the Board's assessment of the business viability include gold prices, production volumes, fuel prices , social license to operate and financial position.

- **Gold price:** Management time and focus are applied to ensure a low-cost operation, which helps Sukari remain profitable, even in a relatively low gold price environment. Sukari has a low cost per ounce of production compared with other operating mines, which contributes to the Group's longer-term viability. The strategic decision to remain unhedged means the Company benefits fully in a strong gold price environment. In a weaker gold price environment, the commitment to cost control helps ensure business continuity.
- **Fuel price:** At the Company's flagship asset, fuel is purchased domestically from the Egyptian government. The price is set quarterly. Based on forecast prices, fuel represents approximately 20% of our operational costs and is therefore a significant input assumption in both the budget process and development of the R&R. This can therefore materially affect the cost base of the business.
- **Production volumes:** Sukari operates 24-hour-a-day, 365 days of the year, with an estimated plant throughput capacity of 12Mtpa, a level which Sukari often exceeds. The process plant recovery rates are targeting 88% in 2020. Maintaining and improving productivity is fundamental to our business and long-term strategy. Sukari has built up 14.8 million tonnes (at 31 March 2020) of low-grade (0.48g/t) stockpiles, available for processing. Sukari has a low cost per ounce of production compared with other operating mines, which contributes to the Company's longer term viability.
- **Social license to operate:** Centamin's local partner in Egypt is the government department EMRA. This relationship remains strong and equitable with the profit-sharing arrangement as per the Concession Agreement over the 160km^2 Sukari Gold Mine tenement (for more information please refer to page 38). Government relations in West Africa will also be prioritised as we undertake more detailed feasibility studies.
- **Financial position:** The Company maintains a net cash balance of greater than US$200 million, with no debt, hedging, gold loans or streaming commitments or other financial arrangements.

Process of Assessment

When assessing the prospects of the Group, the Directors have considered a series of scenarios using internal and external factors, including macroeconomic impacts. This analysis has focused on the existing asset base of the Group, without factoring in potential development projects, which is considered appropriate for an assessment of the Group's ability to manage the impact of a depressed economic environment.

Robust downside sensitivity analysis and stress testing has been applied to the financial planning process, including the severe scenarios, or combination of, those below:

- A significant deterioration in the gold price to below consensus levels and sustained over the five-year period
- Production stoppages due to labour or supply factors for a sustained period over the review period
- No borrowing facilities being available to the Group over the review period
- Cease to be able to export gold for a sustained period over the review period
- No borrowing facilities being available to the Group over the review period

The analysis indicated results which could be managed in the normal course of business. Further information on uncertainties is given within the financial statements.

COVID-19

Further when considering the potential impact of COVID-19 the Company applied sensitivities which were informed by internal and external data sources, including a review of current mining and production levels. This data was aggregated to model a range of severe downside scenarios modelled for 12 months from the date of signing the financial statements. The scenarios tested include material reductions in production and changes to working capital:

- Underground shutdown: No underground mining activities for 12 months from the date of signing the financial statements, with underground operations continuing after the shutdown period. The consequential financial effects, such as the under-absorption of fixed costs and risk of increased working capital were also considered.
- Reduced processing – Plant 2 shutdown: a reduction of processing volumes due to plant 2 activities being shut down for 12 months from the date of signing the financial statements, with plant 2 activities continuing after the shutdown period. The consequential financial effects, such as the under-absorption of fixed costs and risk of increased working capital were also considered.
- Processing plant shutdown – Plant 1 & 2: a reduction of processing volumes to nil due to the entire processing plant being shut down for 12 months from the date of signing the financial statements, with the processing plant activities continuing after the shutdown period. The consequential financial effects, such as the under-absorption of fixed costs and risk of increased working capital were also considered.
- All activities suspension: All open pit and underground mining activities cease, a reduction of processing volumes to nil due to the entire processing plant being shut down for 12 months from the date of signing the financial statements, with the open pit and underground mining activities and processing plant activities continuing after the shutdown period. The consequential financial effects, such as the under-absorption of fixed costs were also considered.

Liquidity and Solvency

Whilst there is a potential that all of the scenarios could materialise the Company recognises there are some which are more likely than others. In all of the scenarios the Group maintained the necessary liquidity levels for the 12 month period. The impact of each of the scenarios showed declining earnings and cash outflows. The Company believes it can sufficiently mitigate these impacts through the introduction of broad-based cost savings initiatives, savings in capital and operating expenditure programmes and working capital reduction measures. In the event of further deterioration of market conditions as a result of the COVID 19 outbreak, after mitigation measures have been implemented the Group will have sufficient liquidity to meet obligations when they fall due. In the perceived unlikely event that funding should be required by Sukari then under the terms of the Concession Agreement, Centamin is solely responsible for such funding but will be able to recover the cost in later periods.

Centamin is a resilient business with a strong financial position of US$379.2 million in cash and liquid assets[(1)], as of 31 March 2020[(2)], and no debt, hedging or financial instruments on its balance sheet.

Conclusion

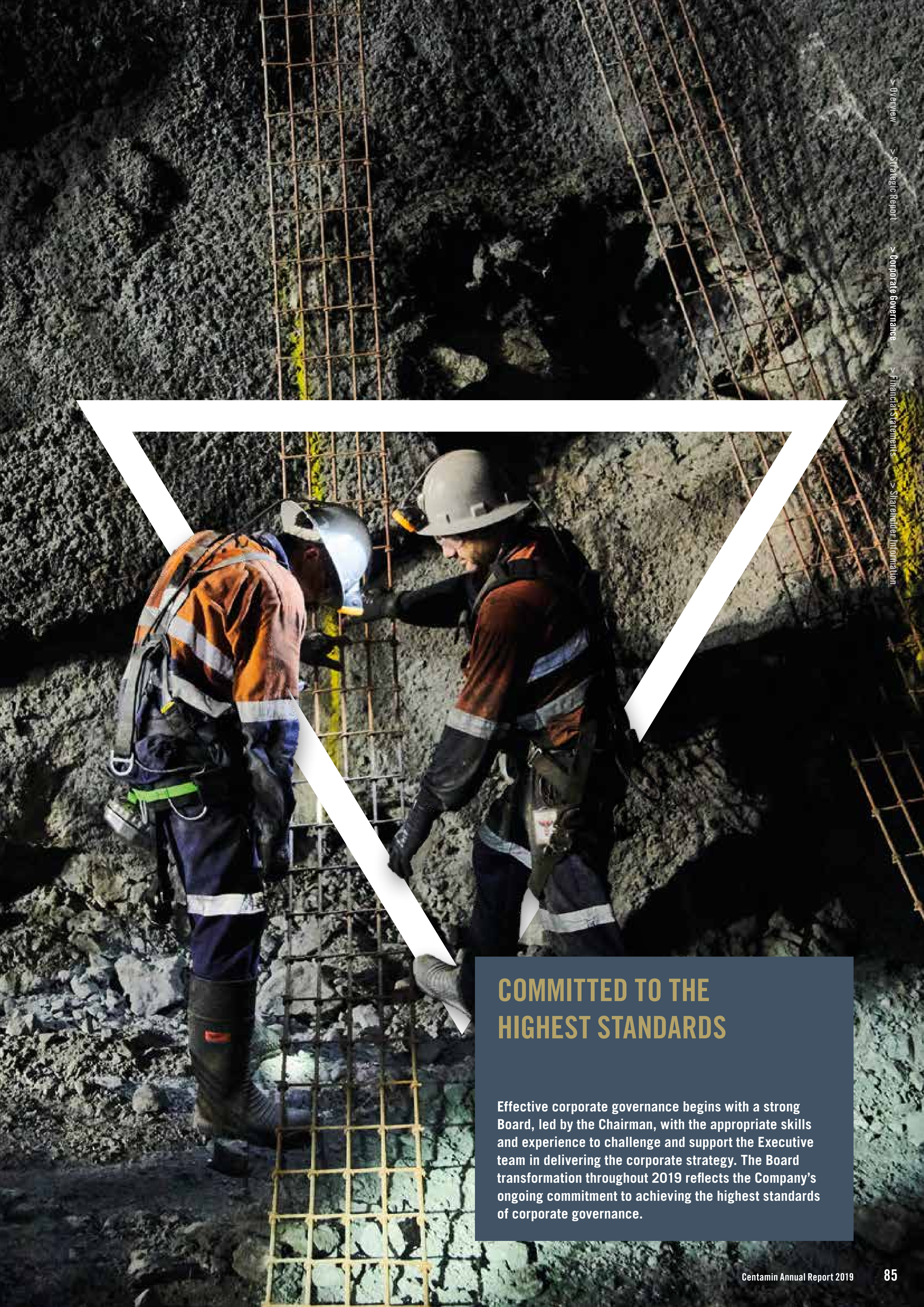
Therefore, taking into account the Group's current position and robust assessment of principal, new and emerging risks, the Directors confirm they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due for the next five years (until 31 December 2024).

(1) Cash costs of production, AISC, Adjusted EBITDA, Cash, bullion on hand, gold and silver sales debtor, financial assets at fair value through profit and loss (also known as Cash and liquid assets) and Adjusted free cash flow are Non-GAAP Financial Measures as defined at the end of the Financial Review section.

(2) Unaudited, as per Q1 2020 Report, published 21 April 2020. Audited cash and liquid assets of US$348.9 million as at 31 December 2019

A RESILIENT AND RESPONSIBLY RUN BUSINESS

CORPORATE GOVERNANCE



COMMITTED TO THE HIGHEST STANDARDS

Effective corporate governance begins with a strong Board, led by the Chairman, with the appropriate skills and experience to challenge and support the Executive team in delivering the corporate strategy. The Board transformation throughout 2019 reflects the Company's ongoing commitment to achieving the highest standards of corporate governance.

GOVERNANCE OVERVIEW

"ENSURING THE COMPANY'S PURPOSE, VALUES AND STRATEGY ARE ALIGNED WITH THE COMPANY'S CULTURE AND COMMUNICATED TO THE WORKFORCE."

EDWARD HASLAM
HSES COMMITTEE

PURPOSE – THE COMPANY'S OVERRIDING EXISTENCE (TO GUIDE STRATEGY)	**OUR PURPOSE** – To create lasting, mutual benefits for all our stakeholders by contributing to the development of our host countries and driving an improved standard of living and wellbeing in the communities we operate within.
VALUES – HOW THE COMPANY IS RUN AND THE BEHAVIOURS IT BELIEVES IN (TO DELIVER STRATEGY)	**OUR VALUES** – In order to prosper, it is important for us to work hand-in-hand with the community, returning value to society as well as to shareholders. This is the tenet by which Centamin has operated for the past 25 years, building a responsible culture that values and supports people by creating jobs, infrastructure and opportunity, as well as developing our assets and delivering strong returns. These attributes are some of the elements that help develop and uphold our core values described in both the Strategic and Governance Report.
VISION – WHAT WE WANT OUR COMPANY TO BE IN THE FUTURE	**OUR VISION** – To create opportunity, now and for future generations, through gold exploration, development and mining.
CULTURE – WHAT IS OUR COMPANY'S DNA, THE PERSONALITY OF OUR COMPANY AND THE ENVIRONMENT WE WISH OUR EMPLOYEES TO WORK IN	**OUR CULTURE** – The health, safety and wellbeing of our workforce is central to our corporate culture. Our culture guides our behaviour and helps us to deliver our strategy.

▶ See pages 90 and 91 for more details on our corporate culture and our operational standards.

EMPLOYEE STATISTICS AT A GLANCE

TOTAL WORKFORCE (INCLUDING CONTRACTORS)	2,556
PERCENTAGE OF EMPLOYEES AT SUKARI MINE WHO ARE EGYPTIAN NATIONALS	95%
NATIONALS IN LEADERSHIP POSITIONS	59%

BOARD AND SENIOR MANAGEMENT DIVERSITY

ACHIEVED A LEVEL OF 30% FEMALE DIRECTORS ON THE BOARD WHICH WILL BE MAINTAINED FOLLOWING THE AGM

DIRECT REPORTS MAINTAINED AT ABOVE 20% FEMALE REPRESENTATION AND INITIATIVES FOR:
- WORKPLACE SUCCESSION AND TALENT MANAGEMENT
- IDENTIFYING NON-SPECIFIC GENDER ROLES

DIVERSITY POLICY ENSURING NON-DISCRIMINATION AND DIVERSITY OF AGE, GENDER AND EDUCATIONAL AND PROFESSIONAL BACKGROUNDS

SEARCH FIRMS CHOSEN WITH ETHICAL AND BEST PRACTICE PROCEDURES TO ENSURE DIVERSITY AND BEST PRACTICE GUIDELINES

GOVERNANCE STATEMENT

"AS A BOARD WE RECOGNISE THAT AT THE HEART OF GOOD GOVERNANCE IS ACCOUNTABILITY AND RECOGNISE WE ARE ACCOUNTABLE TO ALL OUR STAKEHOLDERS FOR OUR BEHAVIOURS AND ACTIONS. OUR APPROACH TO BOARD APPOINTMENTS, ROTATION AND SUCCESSION ENSURES A GOVERNANCE STRUCTURE THAT IS INDEPENDENT AND ABLE TO UPHOLD OUR STANDARDS AS A BOARD OF INTEGRITY, ACCOUNTABILITY AND HONESTY. SUCH STANDARDS GUIDE OUR BEHAVIOUR AS DIRECTORS SERVING ON THE BOARD AND ALIGN WITH OUR GROUP CORE VALUES OF PROTECT, INVEST, LEARN, GROW AND EDUCATE."

MARK BANKES
CHAIR OF THE COMPLIANCE AND CORPORATE GOVERNANCE COMMITTEE

Dear shareholders

As Chairman of the Compliance and Corporate Governance Committee I am addressing the shareholders in this year's Governance Report. The Board has played a major role in the success of the Company, through strong leadership and a robust governance framework. It is a real privilege and exciting prospect to take this dynamic and successful Company to its next phase of growth.

Over the last two years, the Company has embarked on a programme of Board refreshment and succession. This continued through 2019 and into 2020 with key Board appointments ensuring refreshment, rotation and succession. This has resulted in a diverse and balanced Board, with renewed skills and experience to take the Company forward.

The key new non-executive appointments in 2019 included Catharine Farrow, Marna Cloete and Sally Eyre and these individuals will be instrumental in shaping our independent committees going forward.

On 1 January 2020, we welcomed Jim Rutherford to the Board to take on the role of Deputy Chair. Jim has over 25 years' experience in investment management and investment banking specialising in the global mining and metals sector. His excellent knowledge and experience in Mergers & Acquisitions ("M&A") will benefit the Board immensely as the Company continues to create and develop investments in the area of M&A for the benefit of all our stakeholders.

Edward Haslam and Mark Arnesen will be retiring at the forthcoming 2020 AGM and I would like to thank them personally for their significant contribution to the success of the Company over the last nine years. During 2019, Alison Baker resigned to pursue other interests.

I would also like to take this opportunity to thank Josef El-Raghy for his dedication and commitment having worked for Centamin for over 20 years, 15 of which leading the Company as either Chief Executive Officer or Executive Chairman. Josef has built a remarkable gold company and leaves a strong management team and Board who will continue his legacy. After working with Josef for the last few months, Jim Rutherford will move into the role of Chair after the 2020 AGM.

On 2 April, we announced the appointment of our new CEO, Martin Horgan, which followed an intensive international search process. Martin brings excellent technical, commercial experience as well as strong operational leadership skills combined with a deep knowledge and understanding of gold mining across Africa.

At the recommendation of the Nomination Committee, the Board are also actively engaged in recruiting a new Non-Executive Director with operational and technical experience. The recruitment process is well underway and shortlisted candidates are undergoing interview.

Below is a summary of the governance actions undertaken by the Board in 2019

REVIEW AND ARTICULATION OF THE COMPANY'S CULTURE AND VALUES

- Board workshops to understand the purpose, values and behaviours of the Board, management and employees and how these impact upon our ability to deliver our strategy
- Communication of Board led behaviours, culture and values and how these can help us achieve our strategic objectives
- Monitoring of cultural behaviours, through improvements in the recruitment, training and assessment of employee related leading indicators
- Embracing a culture of learning, growth within the national workforce and expatriate positions to ensure training and mentoring of our national workforce

AWARENESS OF THE BOARD'S DUTIES UNDER SECTION 172 OF THE UK COMPANIES ACT AS REQUIRED BY THE 2018 CODE

- The Board's understanding of our stakeholders and impact on our decisions
- Engagement with stakeholders at a shareholder, community, government and workforce level
- Responsibility to community and maintenance of our license to operate – 'see Board in action'

RISK ASSESSMENT AND ASSURANCE

- Wholescale strategic risk review to ensure opportunities and threats are understood and acted upon at an operational level and accurate and timely information is assessed at a corporate and Board level
- Maintaining a respectful working relationship with our assurance teams with regular and robust independent oversight of our Board committees

The Executive team, with support of the Board, will continue to focus on consistent production at Sukari and success across our exploration sites in West Africa. The priorities in 2020 will be to continue developing our senior management team, through talent management and training, and ensure a strong future for our workforce. This will need to be carefully navigated during the current global pandemic in which the health and wellbeing of our workforce remains our primary focus – further details on COVID-19 are set out on page 20.

Centamin continues its next phase of growth, with a refreshed board, strong governance framework and clear cultural values and therefore are well placed to deliver on our strategic objectives:

STAKEHOLDER RETURNS

SUSTAINABILITY

FINANCIAL FLEXIBILITY

ASSET QUALITY

ACTIVE GROWTH PIPELINE

Looking forward

Our focus on governance has been to deliver our succession plan to reflect the importance we place on accountability. We have been successful in appointing skilled individuals to the Board and senior management team who will help take Centamin to the next phase of growth. We are very positive as we move through this transitional phase and welcome our new Board members and also thank the hard work of those Directors who have served for many years on the Board.

Mark Bankes
Non-Executive Director
18 May 2020

CULTURE CASE STUDY

Case Study: The Board's journey in understanding its behaviours, defining culture and influencing our employees.

OUR CULTURE – LED FROM THE TOP

The health, safety and wellbeing of our workforce is central to our corporate culture. It is our standard to provide relevant training to all our employees at site and/or head office to ensure that their health, safety and wellbeing is promoted and maintained. Relevant training also includes induction which is completed by all staff including the Board. Our Board and senior management recruitment decisions are key drivers in promoting our corporate culture as we aim to have an array of views which promote diversity and in turn improve the wellbeing of our workforce. Our culture guides our behaviour and helps us to deliver our strategy.

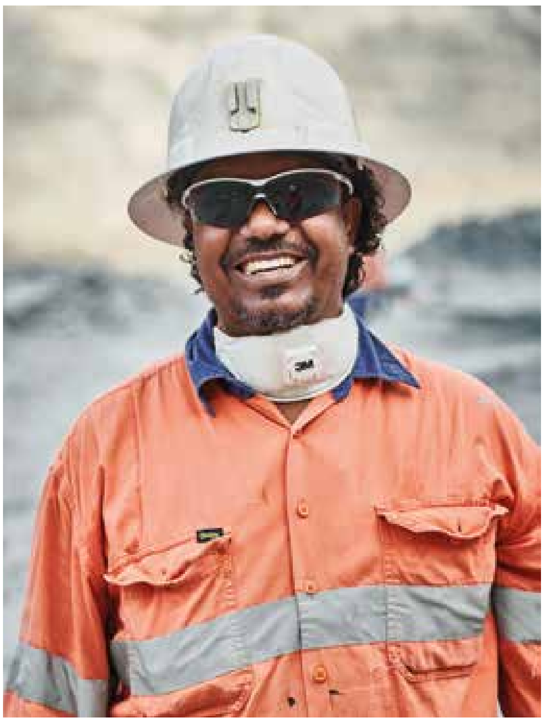
The culture, values and ethics of Centamin are set and led by the Board through its actions and behaviours. Our culture is shaped by our organisation through clear communication channels, training and stakeholder engagement platforms. The Board recognises this is a journey which involves evaluating behaviours to understand and adapt to the changing needs of our workforce and wider stakeholders.

The Board sets the tone from the top, defining the Company's vision, purpose and values which shape and guide Centamin's strategy. The governance framework at Centamin provides the Board with the structure to make considered decisions and set the highest standards for the organisation.

Our culture stems from an entrepreneurial beginning, exploring, building and operating the first modern mine in Egypt. Our workforce has grown and adapted along our journey, with many of the national workforce occupying senior roles within the organisation. The pride of Sukari runs deep within the organisation. Our national workforce, contractors and suppliers display a huge sense of honour to be associated with the operation. As a Board, this can be truly humbling, and it is our job to understand how to nurture this pride, through active engagement and setting challenging and rewarding goals for our employees.

OUR CULTURE – SAFETY IS A PRIORITY

Our safety culture stems from our fundamental commitment to ensure our workforce return home safely after every shift. Centamin has believed from the beginning that safety is all encompassing, requiring the same conscious awareness in every aspect of daily life. Instilling a safety culture at the home, work and in every day interactions has been the ethos of our training and development programmes. See link to Sustainability Report.



OUR CULTURE – PROMOTING OUR CULTURE FOR SUCCESS

The Board recognises the need to lead by example, in and out of the boardroom. At least annually the Board visits the site's major operation in Egypt, meeting with the general manger, heads of departments, site personnel and safety personnel. More frequent interactions with the workforce occur through the Executive Management and in-country general managers. The site's location in Egypt has also enabled regular interaction between senior management at the Company's head office and the site personnel.

Understanding the needs of our employees and the wider community has meant the Board needed to take a step forward and embrace a new way of communicating. The Voice of Sukari, an initiative developed with the employees, is a forum for sharing concerns, ideas and opportunities. To truly listen to the employees is an important step, helping our understanding of what motivates and inspires our workforce as well as finding out what concerns employees have and what might be stifling innovation. Hard questions are asked, and this requires honest, open and regular dialogue. Our workforce show passion for the operation, as a landmark success for Egypt, and we as a Board need to channel that enthusiasm, empowering our employees and giving them opportunities. Recognising talent from within the organisation has been a key aim of the Board. As Egypt's only modern mine and with no other mining operations, it is often necessary to allow some of our most valued employees to leave, gain new experiences abroad and return to their home country bringing new ideas to the mine. We also need to give our employees the chance to see a future in more senior roles through active succession and talent management programmes.

We understand the importance of bringing all stakeholders along our journey, from major shareholders, government partners, to all employees. This requires regular communication and meetings at which we listen to our stakeholders and take their comments back to the Board to help shape our governance structure and our strategy.

The motivation and performance of each and every employee will impact the business and ultimately the success of Centamin. The policies which support and help the Board and management to shape the Company's values are as follows:

- Raising of concerns through the internal grievance mechanism
- Whistleblowing hotline
- Voice of Sukari providing direct feedback to the Board's HSES Committee
- External grievance mechanism to understand stakeholder concerns, awareness and initiatives

Further operationalisation of the grievance mechanism and training across the workforce as well as monitoring of data and feedback, will be needed throughout 2020 to help understand and develop the needs of the workforce.

BOARD OF DIRECTORS

JOSEF EL-RAGHY (48)
CHAIRMAN

MARTIN HORGAN (45)
CHIEF EXECUTIVE OFFICER

ROSS JERRARD (44)
CHIEF FINANCIAL OFFICER

QUALIFICATIONS

Josef El-Raghy	Martin Horgan	Ross Jerrard
BComm (University of WA)	BEng (Hons) (Leeds University)	Institute of Chartered Accountants Australia and New Zealand (ICAANZ) and Institute of Chartered Accountants in Zimbabwe (ICAZ)

APPOINTED

Josef El-Raghy	Martin Horgan	Ross Jerrard
Director since 2002 Appointed Chairman from January 2019	6 April 2020	Chief Financial Officer since April 2016 Appointed Director February 2018 Interim Chief Executive Officer from December 2019 to April 6, 2020

SKILLS AND EXPERIENCE

Josef El-Raghy

Josef brings to the Board strong leadership and a wealth of knowledge in mining and international capital markets. He was a director of CIBC Wood Gundy and Paterson Ord Minnett. His stock broking experience has greatly assisted the Company in its fundraising and development activities.

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

Martin Horgan

Martin is a qualified mining engineer with 25 years in multiple areas of the mining industry. In his career he has shown a strong strategic and operating acumen as well as demonstrating a longstanding commitment to environmental and social responsibility within mining, which is central to Centamin's decision-making and corporate strategy.

From 2009 to 2019 Martin was the Co-Founder and CEO of Toro Gold Ltd ("Toro"), where he oversaw the discovery, development and operation of the Mako Gold Mine in Senegal. Toro was acquired by LSE and ASX listed Resolute Mining in August 2019. Prior to founding Toro, Martin was Executive Director of BDI Mining, an AIM listed diamond producer, and from 2000 to 2006 he worked in mining finance at Barclays Capital in London, where his responsibilities included technical appraisal and advisory services across Africa and the Middle East. He also held consulting engineer roles with SRK Ltd and started his career as a mining engineer with Gold Fields of South Africa.

Ross Jerrard

Ross has over 20 years' experience in senior finance roles in Australia, Africa and the Middle East. Before joining Centamin, Ross was lead Audit Partner with Deloitte Perth, Australia. His experience in leading teams providing audit and related final advisory services to public companies, national and international groups continues to be of benefit to Centamin.

Also, of particular relevance is his experience of Egypt having been based in Cairo for a number of years. He has established strong relations within Egypt specifically with officials at all levels. Ross continues to demonstrate excellent leadership skills, assembling and managing multijurisdictional teams.

CURRENT EXTERNAL APPOINTMENTS

Josef El-Raghy	Martin Horgan	Ross Jerrard
Josef is Chairman of AIC Resources Limited effective 1 December 2017	None	None

Committee Memberships

- Audit and Risk Committee
- Remuneration Committee
- Nomination Committee
- Group Risk Committee
- Environmental, Social and Governance Committee
- Health, Safety, Environment Security Committee
- Compliance and Corporate Governance Committee
- C Committee Chair

New Committees post 2020 AGM

- Sustainability Committee
- Technical Committee

* Committee membership post 2020 AGM

GORDON EDWARD HASLAM (74)
SENIOR INDEPENDENT DIRECTOR

C C C

Institute of Directors (UK)

March 2011

Edward is an experienced leader and director. He has over 20 years of leadership experience in various companies having taken on roles such as Chief Executive Officer and Chairman. As well as performing his duties as a SID, he played an instrumental Corporate Governance function in overseeing the transitioning of the role of Chair and CEO into separate roles.

After serving on the Board for nine years, Edward will be retiring at the forthcoming 2020 AGM.

- Partner and Head of Mining at Strategia Worldwide

JAMES (JIM) RUTHERFORD (60)
DEPUTY NON-EXECUTIVE CHAIRMAN

* C*

BSc (Econ), MA (Econ)

January 2020

Jim has over 25 years' experience in investment management and investment banking, specialising in the global mining and metals sector. He has held senior appointments with various companies including Senior Vice President with Capital International Investors (a division of Capital Group) and Vice President of Equity Research at the investment bank HSBC James Capel in New York. He has also held investment analyst roles with Credit Lyonnais, covering diversified industrials, and with CRU International, covering the copper industry.

Jim brings to the Board considerable financial and capital markets insight and a deep understanding of the mining industry. He will succeed Josef El-Raghy, who will be stepping down as Chairman at the forthcoming 2020 AGM.

Since his appointment to the Board on 1 January 2020, Jim Rutherford has attended committee meetings to understand the activities that are undertaken.

- Independent Non-Executive Director of Anglo American plc since November 2013
- Independent Non-Executive Director of Anglo Pacific Group plc since November 2019
- Independent Non-Executive Director of GT Gold Corp since October 2019

DR. SALLY EYRE (48)
INDEPENDENT NON-EXECUTIVE DIRECTOR

C* * *

BSc., PhD, DIC

April 2019

Dr Eyre was President and Chief Executive Officer of TSX Venture Exchange listed Copper North Mining. She previously was an executive of Endeavour Financial which then became Endeavour Mining. Whilst working for Endeavour, she also served as Senior Vice President Operations as well as Chief Executive Officer of Etruscan Resources.

Dr Eyre brings an extensive experience in global resource capital markets and mining operations. As a geologist, she brings strong technical balance to the Board. Dr Eyre will be taking on the role of Senior Independent Director in place of Edward Haslam who will be retiring at the 2020 AGM.

- Non-Executive Director of Adventus Mining (a TSX Venture Exchange Listed company) since 2017
- Non-Executive Director of Japan Gold (a TSX Venture Exchange Listed company) since 2016
- Non-Executive Director of Ero Copper Corp since 2019

PROFESSOR IBRAHIM FAWZY (79)
INDEPENDENT NON-EXECUTIVE DIRECTOR

MARK BANKES (58)
INDEPENDENT NON-EXECUTIVE DIRECTOR

C *1 * *

MARK ARNESEN (60)
INDEPENDENT NON-EXECUTIVE DIRECTOR

C

QUALIFICATIONS

BSc, PhD

MA

BA (ACC) and BA (Commerce)

APPOINTED

August 2018

February 2011

February 2011

SKILLS AND EXPERIENCE

Dr Fawzy has over 50 years of experience working with industrial and investment companies in Egypt and abroad. He has held the position of Minister of Industry of Egypt as well as the President and CEO of the General Authority for Investment and Free Zones in Egypt. He is also an emeritus professor at the Faculty of Engineering at Cairo University.

He continues to bring valuable experience and insight in governmental relations, banking, investment and development.

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

Mark joined Norton Rose Fulbright in 1984. He worked in both London and Hong Kong and was a partner at Norton Rose Fulbright from 1994 to 2007 before starting his own business, Bankes Consulting EURL, in October 2007 through which he continues to consult to the mining sector and to Norton Rose Fulbright.

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

After serving on the Board for nine years, Mark will be retiring at the 2020 AGM.

CURRENT EXTERNAL APPOINTMENTS

Chairman of a Cairo Stock Exchange listed Company, Egyptians Abroad Company for Investment and Development as well as director of its subsidiaries

Director of Bankes Consulting EURL since 2007

- CEO of Nzuri Copper Ltd (formerly known as Regal Resources Ltd) from 2016 to March 2020.

Committee Memberships

- Audit and Risk Committee
- Remuneration Committee
- Nomination Committee
- Group Risk Committee
- Environmental, Social and Governance Committee
- Health, Safety, Environment Security Committee
- Compliance and Corporate Governance Committee
- C Committee Chair

New Committees post 2020 AGM

- Sustainability Committee
- Technical Committee

* Committee membership post 2020 AGM

CATHARINE FARROW (55)
INDEPENDENT NON-EXECUTIVE DIRECTOR[2]

* C* *

PhD, PGeo, ICD.D.

September 2019

Dr Farrow has more than 25 years' experience in the mining industry. She was Chief Executive Officer and co-founder of TMAC Resources Inc. until 2017. Prior to this Dr Farrow held multiple senior executive roles with KGHM International Ltd. Her expertise ranges from operations, technical services, corporate development and exploration.

As a professional geoscientist, she is a member of the Association of Professional Geoscientists of Ontario, the Canadian Institute of Mining, Metallurgy & Petroleum, and a Fellow of the Society of Economic Geologists.

- Non-Executive Director of Franco-Nevada Corporation which is a leading TSX listed global royalty and streaming company since 2015
- Non-Executive Director of Eldorado Gold Corporation, a TSX-listed mid-tier gold and based metals producer since 2020 (Member – Compensation Committee, Member – Sustainability Committee, Member – Reserve and Resource Review Panel)
- Chair of Exiro Minerals a private mineral exploration technology company since 2018; and
- President of FarExGeoMine Ltd a private mining consultancy business.

MARNA CLOETE (42)
INDEPENDENT NON-EXECUTIVE DIRECTOR

C * * *

MA

September 2019

Marna has over 15 years of experience in the mining industry for the emerging markets with particular emphasis in Africa. Her substantial management experience within finance, community and government relations align well with Centamin's existing Board.

- President (appointed in March 2020) and Chief Financial Officer of Ivanhoe Mines Ltd – a TSX listed mineral exploration and development company - held since 2009. Marna also holds various Board positions in companies throughout the Ivanhoe Mines group of companies.

1 Member until the appointment of a new technical non-executive director

2 A review of the future committee structure and membership has been carried out which took account of the skills and experience of the Board members.

OUR MANAGEMENT TEAM

SENIOR MANAGEMENT – OPERATIONS

YOUSSEF EL-RAGHY

GENERAL MANAGER – EGYPT

Since January 2010

Youssef has more than ten years of senior management experience. His background has immensely assisted the Company in maintaining good working relations within the government, mining industry as well as the overall company stakeholders within Egypt.

JEREMY LANGFORD

CHIEF OPERATING OFFICER

From April 2019 (serving notice)

Jeremy is a highly skilled engineer with an impressive record of developing and building mines. His knowledge in operations and development, particularly in West Africa, has proved to be an asset to the management team.

TIM DONNELLY

GENERAL MANAGER – SUKARI

Since September 2019

Tim brings over 26 years of experience in mining across the globe having worked in locations such as Indonesia, Malaysia, Mongolia, Nigeria, Burkina Faso, Côte d'Ivoire, Mali and Australia. He has held various management positions throughout his career including being a general manager amongst many other roles. Tim's key skills are commercial, financial and operational management, strategic planning and continuous improvement. As a Certified Practising Accountant, he also holds a Bachelor of Business degree and has a Graduate Diploma of Mining.

RAITT MARSHALL

GENERAL MANAGER – SUKARI

(From July 2018 to September 2019)

With over 20 years' experience in the mining industry specialising in predominantly aluminium and gold mines, Raitt joined Centamin as General Manager. He holds a BSc Mechanical Engineering degree. He decided to pursue other interests and resigned in September.

NORMAN BAILIE

GROUP EXPLORATION MANAGER

Since October 2016 (serving notice)

Norman has over 25 years' experience in industry providing exploration and resource consultancy to all levels of exploration and mining companies in West, East and Central Africa as well as South America. A chartered professional geologist and manager through the Geological Society UK and AusIMM, he is also a fellow of IOPM3 UK and SEG USA as well as a competent person under JORC/43-101 criteria.

IBRAHIMA DANSO

MANAGER – WEST AFRICA

Since June 2016

Ibrahima joined Centamin in June 2016 and brings to the role over 20 years' professional experience, notably with AngloGold Ashanti in Guinea and Democratic Republic of Congo (DRC), Alcoa in Ghana, Guinea and Jamaica, and Newcrest Mining in Côte d'Ivoire. Ibrahima is highly knowledgeable in dealing with African governments to secure exploration and mining permits, conceptualising and executing strategic community investment programmes in host country. He holds a Master's degree in electrical engineering and Economics from ParisTech and Paris School of Economics (France) and MBA degree from Michigan State University (USA).

DOAA ABOU ELAILAH

GROUP SUSTAINABILITY AND BUSINESS DEVELOPMENT MANAGER

Since May 2013

Doaa brings more than 18 years of experience as a consultant in health and safety, environment and community affairs. A holder of an MSc and BSc honours degree in Chemical Engineering, Doaa has provided technical support to numerous industries and facilities in Egypt and the Middle East across a broad range of sectors in mining, oil and gas, industrial production, infrastructure and tourism.

SENIOR MANAGEMENT – FINANCE

MARK SMITH
GROUP FINANCIAL CONTROLLER
Since August 2015

Mark brings to the role a wealth of experience in site based commercial and corporate finance across exploration, feasibility, construction and operations in both open pit and underground mining environments. His prior experience of working for listed companies in the resource sector has proved valuable to the Company.

RIAAN NEL
GROUP ACCOUNTANT
Since February 2017

Prior to joining Centamin, Riaan worked for a hedge fund and PwC in Jersey. He holds a B. Com Accounting Sciences and a B. Com Honours Accounting Sciences degree from the University of Pretoria. Specialising in the manufacturing and mining industry, he completed his chartered accounting training at Grant Thornton South Africa. Riaan is a member of the South African Institute of Chartered Accountants and the Institute of Chartered Accountants in England and Wales.

AMR HASSOUNA
COMMERCIAL MANAGER (SUKARI)
Since March 2012

Amr brings to the role a wealth of experience and understanding of the operating and commercial environment in Egypt. Prior to joining Centamin, Amr worked for eight years in the oil and gas field in Egypt. He holds a Bachelor's degree in Finance and Accounting from Alexandria University and is a member of the Institute of Management Accountants.

CORPORATE AND COMMERCIAL

ALEXANDRA CARSE
HEAD OF INVESTOR RELATIONS
Since December 2017

Alexandra has over twelve years' experience as a sell side corporate broker, specialising within the natural resource sector. She worked closely with Centamin as a client, specifically raising pre-production capital with equity financing and listing on the main market London Stock Exchange. Prior to joining Centamin, Alexandra was Head of Investor relations at Petropavlovsk plc. Alexandra holds a BA (Hons) in Economics and Statistics. Alexandra continues to facilitate long-term relationships with all our investors.

JOHN SINGLETON
HEAD OF CORPORATE DEVELOPMENT
Since June 2019

With a career of more than 19 years working in the mining industry, John has been involved with copper, iron ore, aluminium, uranium, platinum, gold, diamonds and other industrial minerals. John has held senior corporate roles in Business Evaluation and Corporate Development. Having worked for Rio Tinto for 13 years, John gained extensive commercial, operational and technical experience across multiple product groups. With his international and diverse business experience in mining, John brings value to the senior management team at Centamin focusing on future growth prospects and continuing to unlock the full potential worth of its asset portfolio.

CRAIG MURRAY
HEAD OF RISK
Since March 2020

Craig brings more than 17 years' experience in strategy, governance, risk management, internal control and compliance. Craig holds a BA (Hons) in Risk Management and prior to joining Centamin, Craig was a director at PwC leading solution delivery across a range of industries and sectors, although he had a focus on mining and energy. Craig brings value to the senior management team by supporting our commitment to the effective management of risk, taking advantage of opportunities and ensuring we make more informed decisions for our future growth.

DARREN LE MASURIER
GROUP COMPANY SECRETARY
Since July 2013

A fellow of the Association of Chartered Certified Accountants, Darren has over 20 years' experience in corporate administration, governance and offshore regulation in Jersey. Prior to joining Centamin, Darren worked for a Fiduciary and Law firm Ogier in Jersey for over 10 years, providing professional company secretarial, accounting, administration and director services for a diverse range of corporate clients and structures.

CAROLINE KASHIRI
ASSISTANT COMPANY SECRETARY
Since September 2019

Caroline is an Associate member of the Institute of Chartered Secretaries and Administrators (ACIS). She holds an MSc in Corporate Governance and Leadership as well as a BA (Hons) in Accounting and Business. Prior to joining Centamin, Caroline worked for Link Asset Services (now Apex) for four years where she got involved in projects for Corporate Services, Business Operations and Governance with particular emphasis on reporting for Automatic Exchange of Information (FATCA and CRS). She reports to the Group Company Secretary.

HEIDI BROWN
SUBSIDIARY DIRECTOR AND SUBSIDIARY COMPANY SECRETARY
Since January 2003

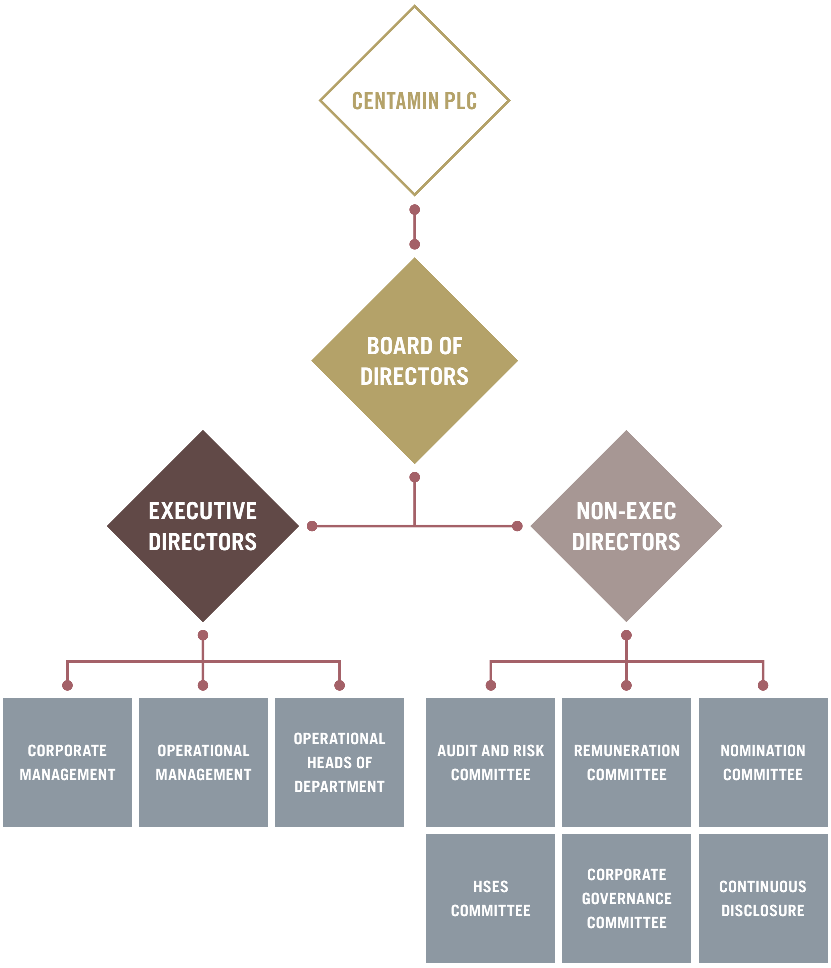
Heidi is a Fellow Chartered Secretary (FCIS, FGIA) and GAICD. A holder of a graduate certificate of Applied Finance and Investment as well as a Diploma of Financial Advising. Heidi was the former Company secretary of the listed parent until 2012 and continues to act as Company Secretary and Director of Centamin's Australian subsidiaries.

OUR GOVERNANCE STRUCTURE

The Board is collectively responsible for the long-term success of the Company.

The Board values the views of all stakeholders and provides direction and leadership which reinforce the Company's culture, values and ethics. This provides the framework for setting the Company's strategy and overseeing its implementation as well as ensuring acceptable risks are taken in compliance with regulatory and governance requirements.

Set out below is the Board, committee and management structure of Centamin plc:



Leadership

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. The Board sets and implements the strategic aims and values of the Company, providing strategic direction to management. See further details in the Strategic Report.

The Chairman, Josef El-Raghy, is responsible for ensuring the business is run in accordance with the Board's strategy. During 2019, the CEO, Andrew Pardey, was responsible for the implementation of strategy and overseeing the day-to-day running of the business. The CFO, Ross Jerrard is responsible for delivering the financial reporting, reviewing the strategy for risks and opportunities and representing the Company with key stakeholders (including government officials). From 13 December 2019, Ross Jerrard became interim CEO following the retirement of Andrew Pardey. On 6 April 2020, Martin Horgan was appointed CEO and Ross Jerrard resumed his role as CFO.

The Board and senior management have an active involvement in all major activities in the Group as we are a relatively small management team. The Board is well placed to ensure the Company's actions are aligned with the strategic aims of the Group. The responsibilities of the Board and key roles within the organisation are set out under the Board Committees section. Details of the senior management team are set out on pages 96 and 97.

- See our purpose, values and culture on page 24 and related case study on pages 90 and 91
- See our duty under section 172 and case study on page 122
- See alignment of the culture with the strategy as summarised in our strategic framework
- See Succession planning (see the Nomination Committee Report)
- Understanding resource needs to meet strategic objectives (see the Strategic Report)
- See our risk management framework (see the risk management report)

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. The Board is in receipt of detailed financial and operational monthly reports as well as the quarterly and annual financial disclosures. The terms of reference for each Board committee are available on the Company's website www.centamin.com.

The Board has delegated certain matters to its committees and their reports are presented within the strategic or Governance Reports as summarised below:

Audit and Risk Committee

Reviews and is responsible for oversight of the Company's financial and narrative reporting processes and the integrity of the financial statements and supports the Board by providing oversight of the effectiveness of risk management and internal control. See page 131 for more details on the activities of the Audit and Risk Committee.

Remuneration Committee

Reviews and recommends to the Board the Executive remuneration packages for the Executives and Non-Executives as well as senior management and consideration of the pay scales and remuneration package for employees. See page 140 for more details on the activities of the Remuneration Committee.

Nomination Committee

Reviews the structure, size and composition of the Board and its committees, oversees the succession planning of Directors and leads appointment processes that arise, and accordingly makes recommendations to the Board. See page 124 for more details on the activities of the Nomination Committee.

Health, Safety, Environmental and Sustainability Committee

Develops and implements the Company's HSES strategy as integrated with the overall strategy. This covers all aspects of health and safety policy and energy issues affecting the business and the impact of these issues on our operations.

Compliance and Corporate Governance Committee

Makes recommendations on the formulation or re-formulation of, and implementation, maintenance and monitoring of the Centamin's Corporate Compliance Programme and Code of Conduct as may be modified, supplemented or replaced from time to time, designed to ensure compliance with corporate policies and legal rules and regulations.

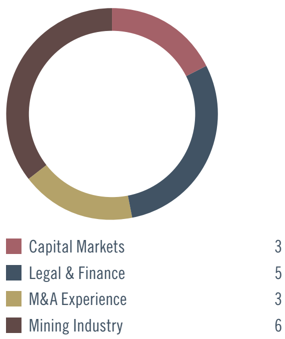
Board Composition and roles

The Nomination Committee regularly reviews the balance and composition of the Board and its committees. Non-Executive Director independence, skills and tenure also remain key elements for continuous review by the Committee.

The Committee oversees the succession planning of the management team and is encouraged by the roll out of a more comprehensive talent management programme.

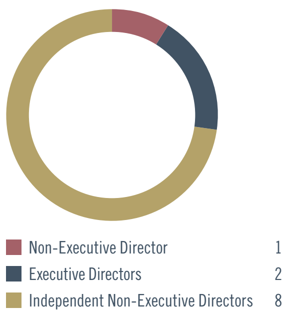
The below reflects the primary skills of the Board members:

BOARD SKILLS



Full details of the skills and experience of each Director are set out in each Director's biography on pages 92 to 95.

BALANCE OF THE BOARD



At the date of this report, the Board is made up of the Chair and his Deputy, Senior Independent Director plus six Non-Executive Directors and two Executive Directors with the following responsibilities:

Chairman

Josef El-Raghy

Leads the Board with overall governance, major shareholder and other stakeholder engagement responsibilities. He undertakes the following:

- 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; and
- communicates with shareholders in relation to the Company's strategic aims and policies.

Deputy Chair

Jim Rutherford

Assisting the Chairman in the effective running of the Board in accordance with the Board's strategy. The Deputy Chair will take on the role of Chair when Josef El–Raghy steps down at the forthcoming 2020 AGM.

Chief Executive Officer

Martin Hogan

Responsible for leading the Company through the implementation of strategy, management of the overall business performance and leading of the executive team. Responsibilities are as follows:

- 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 and communicating to the workforce the Company's culture and values.

Chief Financial Officer

Ross Jerrard

As CFO the role is to implement the strategy and the Company's financial performance and has the following responsibilities:

- delivering external financial reporting in compliance with the required regulations;
- overseeing the preparation of strategic and financial budgets for the Group to ensure financial commitments are met;
- developing and maintains a sound system of financial controls and adherence to the Group's policies and procedures;
- identifying and implementing risk management practices;
- representing the Group before key stakeholders including government officials (including EMRA); and
- monitoring external contracts and supplier relationships to ensure they are operating effectively.

BOARD AND COMMITTEE ATTENDANCE SCHEDULE IN 2019

	Date of appointment / Resignation	Board	Audit and Risk Committee	Health, Safety, Environmental and Sustainability Committee
Executive				
Andrew Pardey	Resigned 13 Dec 2019	◆◆◆◆◆◆◆◆◆	–	–
Ross Jerrard	Appointed 5 Feb 2018	◆◆◆◆◆◆◆◆◆◆◆	–	–
Non-executive				
Josef El-Raghy	Appointed 4 April 2007	◆◆◆◆◆◆◆◆◆◆◇*	–	–
Jim Rutherford	Appointed 1 Jan 2020	–	–	–
Edward Haslam	Appointed 22 March 2011	◆◆◆◆◆◆◆◆◆◆◆	◆◆◆◆◆	◆◆◆
Dr Ibrahim Fawzy	Appointed 14 Aug 2018	◆◆◆◆◆◆◆◆◆◆◇*	–	◆◆
Mark Bankes	Appointed 24 February 2011	◆◆◆◆◆◆◆◆◆◆◆	◆◆◆◆◆	–
Mark Arnesen	Appointed 24 February 2011	◆◆◆◆◆◆◆◆◆◆◆	◆◆◆◆◆	–
Dr Sally Eyre	Appointed 10 Apr 2019	◆◆◆◆◆◆◆◆	–	–
Catharine Farrow	Appointed 2 Sept 2019	◆◆◆◆◆◆	–	–
Marna Cloete	Appointed 2 Sept 2019	◆◆◆◆◆◆	◆◆	–
Alison Baker	Resigned 2 Sept 2019	◆◆◆◆◆	–	◆◆

Senior Independent Director

Gordon E. Haslam

A trusted intermediary between other directors and the Chair. Also, a sounding board for the Chairman and his deputy and available to resolve any concerns which may arise and fail to be resolved via the normal channels of communication. Edward will not be standing for re-election at the forthcoming 2020 AGM after a nine year tenure, having served as Deputy Chair and Senior Independent Director. Dr Sally Eyre will take on the role of Senior Independent Director upon the retirement of Edward Haslam at the forthcoming AGM.

Independent Non-Executive Directors

Mark Arnesen, Mark Bankes, Dr Ibrahim Fawzy, Dr Sally Eyre, Dr Catharine Farrow and Marna Cloete

The Non-Executive Directors are responsible for bringing in an external perspective, sound judgment and objectivity to Board debates. Constructively challenging the Executive whilst monitoring the delivery of agreed strategy. Together with the Senior Independent Director, the Non-Executive Directors are responsible for the following:

- to challenge and help develop the Group's strategy;
- to participate as members of the Board and on their respective committees;
- to monitor the performance of management;
- to be satisfied as to the adequacy and integrity of financial and other reporting;
- to determine appropriate levels of remuneration for Executive Directors;
- to raise any concerns with the Board or with management; and
- to monitor corporate culture and stakeholder engagement.

Group Company Secretary

Darren Le Masurier

Provides advice and assistance to the Board, the Chairman and other directors by ensuring Board procedures are adhered to and corporate governance complied with.

Compliance and Corporate Governance Committee	Remuneration Committee	Nomination Committee
–	–	–
–	–	–
–	–	–
–	–	–
◆◆◆	◆◆◆◆	◆◆◆◆◆
◆◆	–	–
◆◆◆	◆	◆◆◆
◆◆◆	◆◆◆◆	◆◆◆◆◆
–	◆◆◆	–
–	–	–
–	–	–
–	–	◆◆◆

The table excludes meetings held by written resolutions or sub-committees and reflects membership during 2019. The Board met eleven times during the year, with two further meetings held by way of written resolution.

◆ Meetings attended
◇ Meetings not attended

* Josef El-Raghy and Dr Fawzy did not attend one Board meeting each due to personal circumstances beyond their control. Due apologies were received prior to the scheduled meeting. Edward Haslam took the role of Chair in the absence of Josef El-Raghy.

BOARD DIVERSITY

The Company's Diversity Policy is set out in the Nomination Committee Report, which sets out the considerations for the Board composition and pipeline of talent coming through the organisation, having regard to gender, ethnicity, age and educational and professional backgrounds.

During the year, the Nomination Committee considered the external reviews on diversity namely the Hampton-Alexander Review and the Parker Review. Due to the successful appointments recommended by the Nomination Committee to the Board, the Company is in line with the target for female representation in leadership positions. As at 1 January 2020, the Board had 30% female representation and two individuals who identify as people of colour, in line with the Parker Review.

SIZE OF THE BOARD

2 Executive
9 Non-Executive

NON-EXECUTIVE TENURE

	0–2 Years	2–4 Years	4–9 Years	9+ Years
Josef El-Raghy				◆
Jim Rutherford	◆			
Edward Haslam			◆	
Dr Ibrahim Fawzy		◆		
Mark Bankes			◆	
Mark Arnesen			◆	
Dr Sally Eyre	◆			
Catharine Farrow	◆			
Marna Cloete	◆			
Ross Jerrard		◆		

11
SIZE OF THE BOARD

30%(1)
FEMALE BOARD MEMBERS
Hampton Alexander Review target of 33%

2
ETHNICITY
Parker review recommendations on BAME

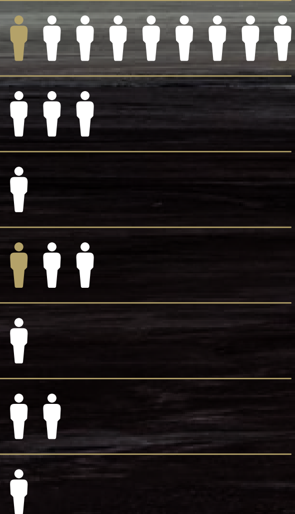
5
NATIONALITIES REPRESENTED ON THE BOARD

(1) As at 1 January 2020.

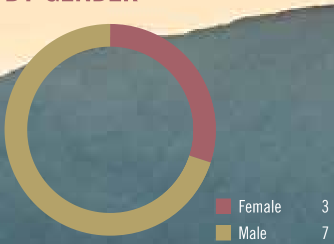
It is our belief that a board's effectiveness requires diversity of perspectives that combines director experience and a deeper understanding of the industry gained in various ways as well as over several years – see below the breadth of experience of our Board:

BOARD EXPERIENCE BY SECTOR

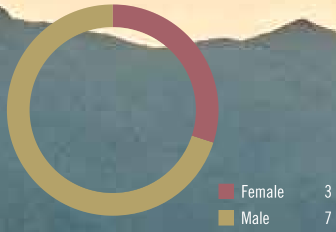
Mining and Resource Industry
Capital Markets
Legal
Finance, Accounting and Audit services
M&A
Government relations, public service and development
Investment banking and investment management



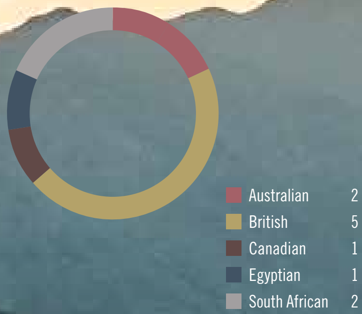
BOARD MEMBERS BY GENDER



DIRECT REPORTS TO EXECUTIVE BY GENDER



BOARD MEMBERS BY NATIONALITY



BOARD SKILLS MATRIX

Skills set	Skill	Chairman (JEL)	Deputy Chair (JR)	Executive Director (RJ)	Executive Director (MH)	Senior Independent Director (GEH)	Non-executive Director (MB)	Non-executive Director (MA)	Non-executive Director (IF)	Non-executive Director (SE)	Non-executive Director (CF)	Non-executive Director (MC)
Governance Skills	Investor relations	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
	Listed Company	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
	Corporate Governance	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
	Recent and relevant financial experience		◆	◆			◆	◆				◆
	Risk Management	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
Industry Skills	Mining industry	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆	◆
	Corporate Finance		◆	◆			◆	◆				◆
	Legal and tax						◆	◆				◆
	Government and public sector			◆					◆			◆
	Investment management and banking	◆	◆		◆				◆		◆	
	Mergers and Acquisition	◆	◆	◆	◆		◆	◆		◆	◆	◆
	Geology and geoscience				◆					◆	◆	
Diversity in aspects	Nationality	AUS	UK	AUS	UK	UK	UK	RSA	EGY	UK	CAN	RSA
	Gender	Male	Male	Male	Male	Male	Male	Male	Male	Female	Female	Female
	Age	48	60	44	45	74	58	60	79	48	55	42

Board independence

When determining whether a director is independent, the Board adheres to the Directors' Test of Independence Policy, which is based on the 2018 Code and the definitions of independence in the Canadian Securities Administrators' National Instrument 52-110 – Audit Committees. The Company remains compliant with the provisions of the 2018 Code, whereby at least half the Board comprises non-executive directors who are determined by the Board to be independent.

Board Re-election

At the date of this Annual Report Josef El-Raghy, Edward Haslam and Mark Arnesen will be retiring at the 2020 AGM and will therefore not be standing for re-election. All other directors will be put forward for re-election at the 2020 AGM and election in the case of Catharine Farrow, Marna Cloete and Jim Rutherford. All directors are subject to annual re-election.

Board Training

The Board receive regular training on key topics covering legal, regulatory and compliance matters. Induction training and one-to-one sessions are tailored depending on the requirements of new directors to the Board.

Board Site Visits

Detailed knowledge of the Group's activities is essential and each year the Board visits Sukari where they are shown all major areas of the operation.

SKILLS AND SUCCESSION

The Board mandated the Nomination Committee to ensure that the composition of the Board and its committees are balanced with the required skills, knowledge and experience.

APPROACH TO BOARD RECRUITMENT

EVALUATE THE BALANCE OF SKILLS, KNOWLEDGE, EXPERIENCE AND DIVERSITY OF THE BOARD

SKILLS GAP ANALYSIS OF THE BOARD

REVIEW STRATEGIC AIMS OF THE COMPANY AND INDUSTRY BENCHMARKING

SEARCH METHODS TO BE AGREED

NOMINATION COMMITTEE TO TENDER FOR EXTERNAL RECRUITMENT AGENTS

PREPARE AND DEFINE ROLE DESCRIPTION AND CAPABILITIES REQUIRED FOR SUITABLE CANDIDATES INCLUDING METHODOLOGY FOR PSYCHOMETRIC ANALYSIS

PREPARE DRAFT CONTRACTS AND REMUNERATION PARAMETERS

AGREE RECRUITMENT STRATEGY

REVIEW LONG LIST OF CANDIDATES AND INVOLVEMENT OF BOARD IN SHORT LIST

AGREEMENT OF SHORT LISTED CANDIDATES FOR INTERVIEW

NOMINATION COMMITTEE RECOMMENDATION, APPROVAL AND ANNOUNCEMENT

INDUCTION, TRAINING AND MENTORING

Case Study
ILLUSTRATING OUR APPROACH TO BOARD APPOINTMENT

	Search and recruitment process for the roles of Deputy Chairman, Independent Non-Executive Directors and Chief Executive Officer		
Stage	**Chief Executive Officer**	**Deputy Chairman**	**Non-Executive Directors**
Objective	To find an established mining industry leader with a strong track record of performance improvement and business transformation. The right person will inspire confidence both internally and externally and will have the leadership capability to drive performance day-to-day, whilst simultaneously steering it through a step-change in growth and organisational maturity	To find a candidate with the skills, experience, values and capability to assist the Chairman and ultimately transition into leading the Board and the delivery of Centamin's strategy and long-term value for all our stakeholders	To find candidates with the skills, experience, values and capabilities to challenge the executive and provide constructive solutions, in order that the Board can achieve its vision and long-term plans
External search consultancy appointed to assist committee	Korn Ferry	Egon Zehnder	Egon Zehnder and Korn Ferry
Key elements of candidate profile	• Proven transformational impact on their business /businesses with a track record of setting the direction for an organisation and/or business unit that has realised long-term shareholder value • An individual seen to have the reputation, experience, expertise to unlock shareholder value for Centamin. • Extensive experience of successfully leading and directing multidisciplinary teams and executing capital projects involving multiple stakeholders	• Ability to lead and manage the business of the Board and ensure Board contribution to strategy creation and development • Facilitator of Board relationships, development and effectiveness	• Proven and credible track record of driving and delivering results • Experience of working in a listed company • Knowledge and technical experience in the mining sector or resource sector • Strong business ethics and values and experience of leadership and people development
Search process led by	Nomination Committee	Nomination Committee	Nomination Committee
Selection	• Korn Ferry identified potential candidate universe of: 243 profiles (segmented into A list and B list) • Circa 70 candidates prioritised for more in depth review against acid test criteria • Shortlisted candidates presented to the Board	• Agree candidate list with advisor and the Nomination Committee • A comparison of each short listed candidate's characteristics were set against the candidate brief	• Agree candidate list with advisor and the Nomination Committee • Comparator of candidates' profiles was carried out against the candidate brief
Interviews	Candidates interviewed by the Nomination Committee, Board members as well as detailed due diligence, psychometric analysis and site visit	Candidates interviewed by the Nomination Committee with shortlisted candidates meeting all other Board members	Candidates interviewed by the Nomination Committee with shortlisted candidates meeting all other Board members
Appointment	Martin Hogan was identified as the preferred candidate. The due process was duly followed and an announcement published to confirm his appointment.	Jim Rutherford was identified as the preferred candidate, Nomination Committee recommendation, Board approval, agreement of letter of appointment and announcement	Dr Sally Eyre, Dr Catharine Farrow and Ms Marna Cloete were identified as pre-ferred candidates, Nomination Committee recommendation, Board approval, agree-ment of letters of appointment and an-nouncements
Induction	Induction and training tailored to Martin's experience and knowledge is underway.		Dr Sally Eyre, Dr Catharine Farrow and Ms Marna Cloete were identified as preferred candidates, Nomination Committee recommendation, Board approval, agreement of letters of appointment and announcements

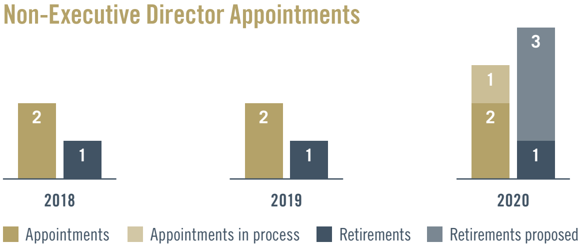
Egon Zehnder and Korn Ferry have no connection with the Company except in the context of searching for senior executive as per mandates issued to the two executive search companies. The Committee believes that executive searches should be conducted using such consultants as their search methods target individuals with the skills and experience required rather than open advertisement.

Case Study
ILLUSTRATING OUR APPROACH TO BOARD APPOINTMENT continued

Board Refreshment

The appointments during 2019 reflect the second year of an active programme of board refreshment and rotation. In addition to the changes to the composition of the Board over 2018 and 2019 regular refreshment to the committees are also a recognised instrument within the culture of Centamin to provide fresh insight balanced with continuity and previous experience.

Non-Executive Director Appointments



Board and Senior Management Pipeline

The Board composition also reflects the ongoing work in developing a diverse board and ensuring a diverse pipeline of talented individuals within the organisation and a mechanism for progression. The Board continue to develop skills through empowering senior management and employees across Egypt, Burkina Faso and Côte d'Ivoire and the head office in Jersey, as a way to safeguard our talent pipeline and succession plan. The Company's Sustainability Report for publication in June 2020 provides more information on talent management programmes.

The key skills and experience we consider most relevant to the board and committees are set out on page 103 on the Skills Matrix table.

KEY ACTIVITIES IN THE YEAR

Key Activities of the Board in 2019

TOPIC	KEY ACTIVITIES DURING 2019	PROGRESS AND OUTCOME
Board Strategy Day	• Defining our Vision • Defining our Purpose, Values and Culture • Stakeholder mapping • Stakeholder engagement • Strategic planning taking account of: – Growth options – Capital allocation – Sensitivity analysis – Peer review • Risk review, risk appetite and application to the Strategic Plan giving consideration to new and emerging risks • ESG considerations on strategic planning and initiatives: • Workforce • Health and Safety • Environment • Stakeholders	The Board evaluated the Company's purpose, values and culture to ensure they aligned with the longer term plan and were consistent with the Board's behaviours and to set clear direction to the business. This resulted in the need to set and communicate clear KPIs to drive the business and behaviours The Board considered the requirements of the 2018 Code and section 172 and its application across all major decisions, including budget and capital allocation and the stakeholder mapping in early stage projects. A detailed section in the Strategic Report illustrates 'who' and 'how' we have engaged with stakeholder groups The risk review, articulation of the risk appetite and new and emerging risks are set out in the Risk Report within the Strategic Report The Board reviewed the ESG strategy and the structure of internal resourcing in order to meet the external reporting requirements. The Board considered the ESG targets and sustainability reporting.
Routine Activities	• Annual Budget preparations • Periodic financial reports • Site visits • Life of Asset Review • Capital allocation project considerations • Senior personnel management and training	Review and approval of the annual budget and periodic financial reports Management hosted site tour of the site's operations at Sukari Review of the business model, life of asset review and defence strategy - See Strategic Report for more information on the life of asset review Review of the HR capability, resourcing needs of the business and key roles within the senior management team. High level considerations of the current talent management and training capability across the Company's operations
Nomination Committee Recommendations	• Board succession, appointment and rotation	See Nomination Committee Report on the committees activities – key highlights below: Executive and Chair appointments: • Martin Hogan (CEO) • Ross Jerrard (Interim CEO from December 2019 to April 2020) • Jim Rutherford (Deputy Chair) Recommendation and approval of the following Non-Executive Director appointments: • Dr Sally Eyre • Dr Catharine Farrow • Marna Cloete

Key Activities of the Board in 2019 CONTINUED

TOPIC	KEY ACTIVITIES DURING 2019	PROGRESS AND OUTCOME
Remuneration Committee Recommendations	Review of the recommended: • 2019 Remuneration Policy • Stakeholder engagement of the Remuneration Policy, Remuneration Report and Share Plans • Review of Executive and senior management remuneration packages, contracts and awards	Shareholder approved: • 2019 Remuneration Policy, report and Share Plan • Delivery of revised executive and senior management remuneration package • Oversight of the remuneration package for newly appointed members of the senior management team
Corporate Governance, Audit and Risk and Internal Control environment	Implementation of 2018 Code including a review of the corporate policies and Diversity Policy taking account of industry and shareholder trends on governance reforms Litigation update on the Company's ongoing court hearings and developments in the Mining Law in Egypt Review the Company's procurement and contract management, key financial processes and inventory management Refresh of the Risk Management Framework. (Details are set out in the Risk report within the Strategic Report)	Development of Human Rights, Supplier Code of Conduct and Diversity Policy for the Board and senior management team Review of litigation strategy and opportunities on the changes to the Mining Law regulations in Egypt Assessment undertaken by external consultant to review internal controls and existing platforms in Jersey and Egypt Management led a refresh activity across Jersey, Egypt and West Africa with the support of PwC. This included the appointment of a Head of Risk who will ensure we continue to embed the refreshed framework alongside a programme of key activities in 2020
Corporate Action	Consideration of the possible offer by Endeavour Mining Corporation ("Endeavour")	Following a comprehensive and reciprocal due diligence process, the Board of Centamin unanimously concluded that the possible offer from Endeavour materially undervalued Centamin and its prospects. Endeavour withdrew the possible offer in January 2020

2020 Focus Areas

The Strategic Report sets out the areas of focus for the Board for 2020. From a governance perspective, the Board is looking to achieve the following for the remainder of the year:

- **Board and Management personnel**

  Strengthening our leadership team which will be led by our newly appointed CEO. Taking into account the Board and senior management changes, a review of the committee composition and structure has been carried out, details of which can be found in the Nomination Committee Report. The establishment of a Sustainability Committee and a Technical Committee of the Board are among the initiatives to be implemented effective post 2020 AGM. The Sustainability Committee will replace the Compliance and Corporate Governance Committee and Health, Safety, Environmental and Sustainability Committee as part of the committee structure reviews undertaken by the Nomination Committee.

- **Reporting and communication**

  Building on the channels of communication between Board and management and information flows to the senior management team and the Board to enable informed decision-making. The communication of the strategic goals of the Group will continue to be a priority, using the foundations set in 2019.

- **Governance, risk and internal control environment**

  Building on the existing governance and risk framework, supported by effective internal control, to better understand both opportunities and threats to the successful delivery of strategic growth for our business. This will be supported by the appointment of senior positions at a management level.

  Recognising the importance of maintaining a sound system of risk and internal control during the COVID-19 pandemic we are ensuring that we monitor any changes carefully, and can introduce any alternative mitigating controls where necessary and practicable to support the operation of an effective control environment. Due to the nature of the business we have a structure in place that separates the lines of defence in different locations with the ability to work remotely and utilise technology, key individuals to risk management and internal control have ensured that they have taken precautions where possible, followed government guidance and keep any relevant documentation in shared folders.

- **ESG capability**

  Ensuring Environmental, Social, Governance forms an integral part of all our decisions starting with a review of the capabilities on the Board, senior management and our site's operations. Further development of the policies and procedures that feed into ESG will continue as we meet the disclosures required. Monitoring, under the guidance of the management team aided by external consultants, the following key reports on climate related disclosures are set out as follows:

UNDERWAY

- Global Reporting Initiative led Sustainability Report
- Carbon Data Project reports on climate change and water usage

UNDER CONSTRUCTION

- Task force report on climate related financial disclosures
- EU Commission Guidelines on NFR Directive
- FRC Lab report on climate related corporate reporting
- FCA feedback statement on climate change and green finance

The Group's standalone 2019 Sustainability Report will be published in June 2020 and a summary Sustainability Report is set out on pages 38 to 41.

BOARD EVALUATION

The Centamin Board carries out an evaluation of its own effectiveness and performance as well as that of its committees and individual directors each year. An independent company externally facilitates board evaluation every three years and the most recent evaluation was undertaken at the end of 2019.

Centamin appointed Charlotte Valeur – Managing Director of Global Governance Group Limited (GGG Limited) a company with no other connections with Centamin to carry out this exercise in order to have contact with directors and obtain their views of the overall effectiveness of the Board. The Nomination Committee together with the Chair oversaw the process of selecting a board evaluator, how the evaluation would be conducted as well as turning the analysis to meaningful information to assist the Board in understanding the way forward.

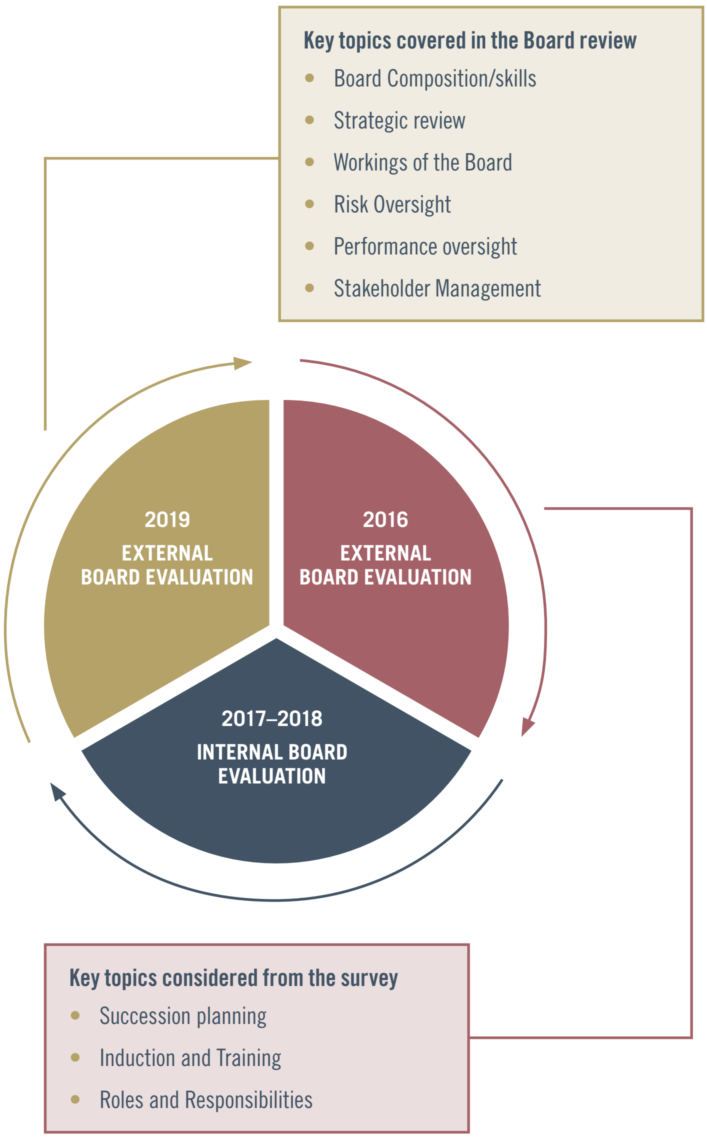
Process

GGG Limited, the Nomination Committee and Chairman agreed and initial phase of a survey based questionnaire within agreed parameters. The areas covered by the survey are highlighted in the graph above under 2019 External Board Evaluation.

Once the survey was completed, the results were automatically forwarded anonymously to GGG Limited to encourage honesty and transparency. A report was then prepared setting out the results of the survey and recommendations were given to the Senior Independent Director for further discussion with the Board.

Key highlights

The review confirmed that the Board appears to be effective and well-functioning and the new independent Non-Executive Directors have adjusted in a positive way.



Strengths of the Board

- The Board is well diversified within gender, nationality, generations, tenure and skills
- Members of the Board are well qualified and experienced in key areas
- The Board's governance framework is considerably robust

Areas identified with scope for improvement are summarised under recommendations.

Recommendations

Following the 2019 evaluation, the Board identified the following areas as key contributors to the effectiveness of the Board for 2020:

Area of consideration	Topic	Actions in 2020
Training on specific areas to be delivered during board meetings during the year. Clarify matters reserved for the Board as a training opportunity for new and old members	Director Development – Continuous Professional Development ("CPD")	Continual development of structured board training programme together with the induction programme in order to clarify director roles and responsibilities Development of a CPD policy
Level of involvement by directors in long-term planning, business planning including the investment and dis-vestment process to be given more time in meetings	Strategy	The Chair, Deputy Chair, Senior Independent Director and Company Secretary to continue working together in deciding on the items that go on the Board's agenda for discussion in meetings
Directors to determine level of engagement with key stakeholders	Stakeholders	Clear structure on the responsibilities of the directors to develop continually in accordance with the skills held by each director to ensure assurance that stakeholder engagement is appropriately conducted
Directors to agree an effective way of assessing the operational and overall performance of the Company	Performance	Continue to improve communication structures between the Executive and Non-Executive for clarity on the performance of the company and overall alignment to strategy

Board Effectiveness

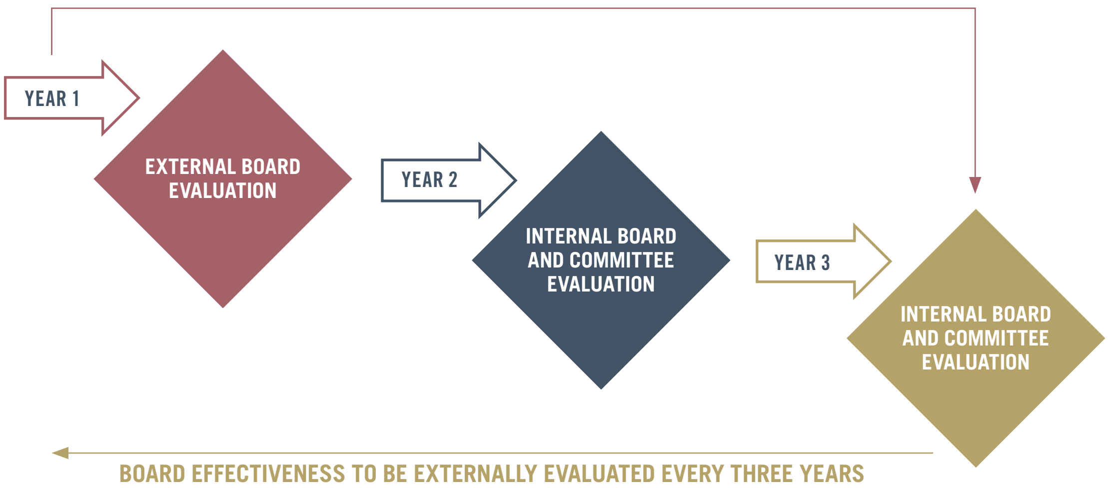
Review process

The Board, with the help of the Nomination Committee, has developed a formal review process to assess how well the Board, its committees, the Chair and the directors are performing collectively and individually and how performance could be improved. In accordance with the 2018 Code, the Board undertakes self-review and commissions externally facilitated reviews.

Outcome

Overall, the externally facilitated evaluation report recognised that this has been a time of significant change and challenge for the Board. Considering that a new CEO has just been appointed, the review was a good opportunity for the Board members to gain clarity of areas needing further work. It was quite clear from the review that the directors are well qualified and experienced and demonstrate strong and challenging views. These are positive attributes that have been effectively managed by the Chair whose deep knowledge and understanding of the business is well respected.

Board Effectiveness Cycle



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 principal risks, including any new and emerging risks for consideration, and the extent to which it believes these risks are being appropriately managed and mitigated.

At the time of publication of this report, COVID-19 has significantly impacted the world, presenting an unprecedented medical, economic and social challenge, recognising this we have included further detail in the Strategic Report Page 20 and recognised this as a new & emerging risk.

Throughout the year, the Board, with assistance of its committees have assessed the risk management framework and internal control environment, with a view to improving visibility over the following areas:

- Review of the operational risks and linkages to the strategic aims and corporate risk register see Principal Risks and Uncertainties on pages 76 to 81
- Mine planning and monitoring
- Development of budget and forecasts
- Reporting and information flows
- Reporting to the Board (concise information)

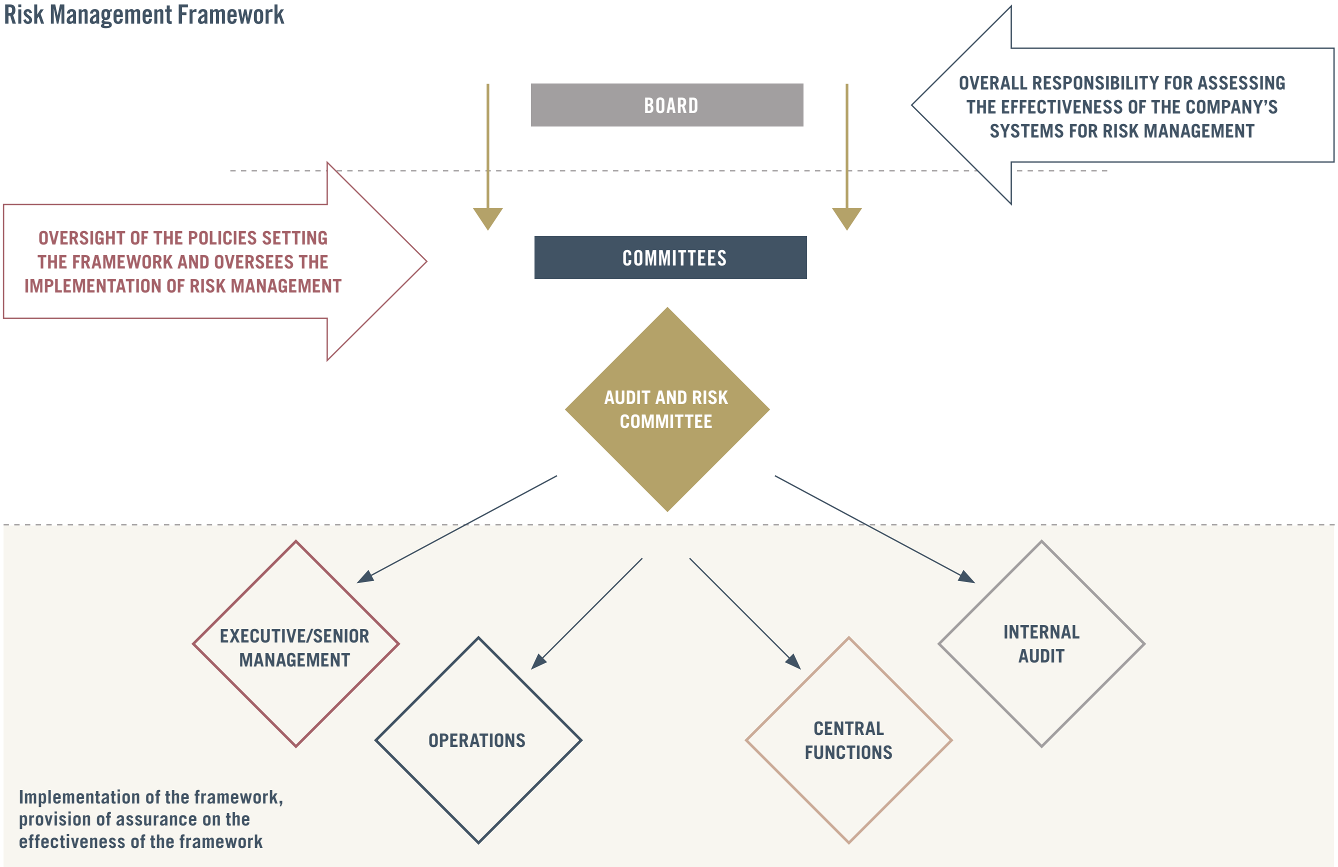
The Board is pleased to confirm that the Company remains in compliance with best practice guidelines, with the 2018 Code, save where noted in the compliance statement on page 117, and relevant Canadian requirements, and the systems in place to manage risk and the internal control environment have been in place for the year under review, up to the date of approval of the Annual Report and financial statements.

During the year, the Company carried out a continuous improvement programme to assess the control environment of the Group, through the work of the finance team, operations team as well as the assurance services of the internal and external auditors.

At the recommendation of the committees, the Board continued the programme to ensure further development to the existing control environment. This work is set within a year which has seen a significant change in senior personnel at an operational level and further changes at a corporate level. The importance of ensuring existing work streams and reporting flows continue, whilst developing new and improved systems represent a challenge, but this is one which the Board acknowledges and continues to provide support, guidance and resources.

It was noted that the review and subsequent recommendations to improve the internal control environment are part of a continuing process of improvement.

Risk Management Framework

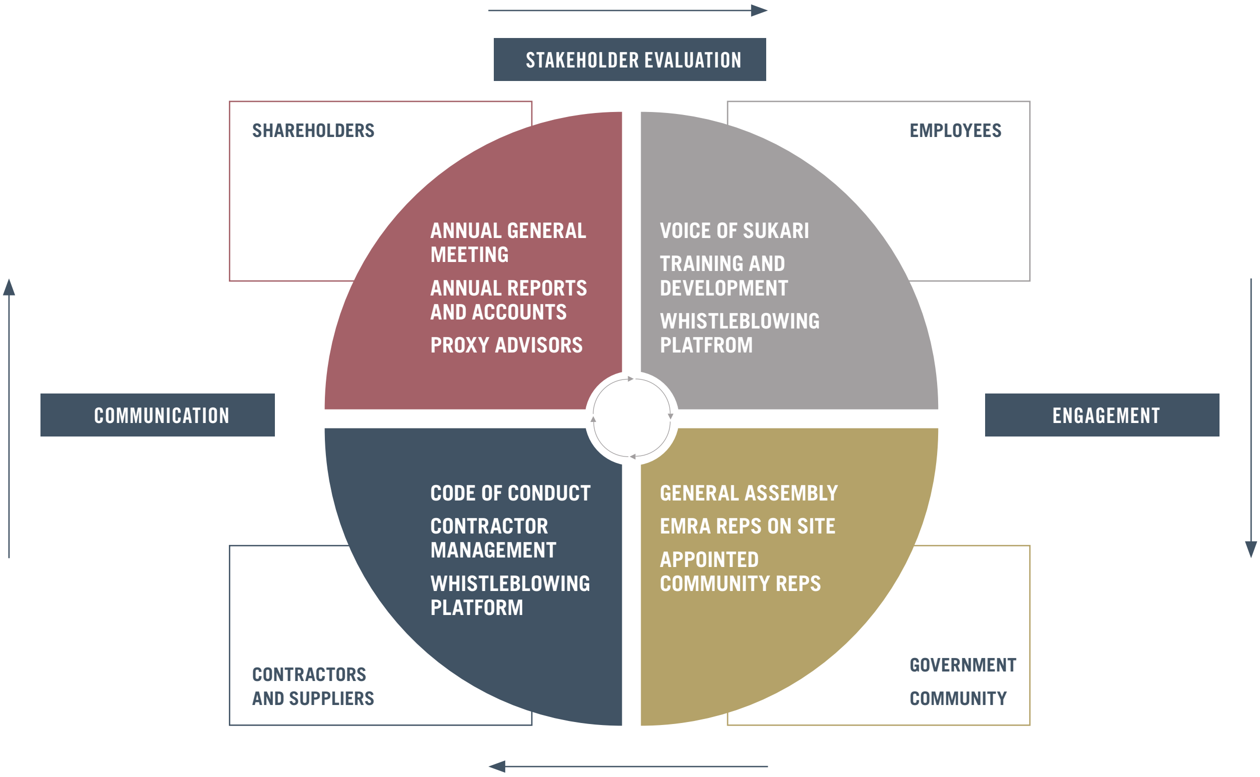


RELATIONSHIP WITH STAKEHOLDERS

HOW THE BOARD HAS ENGAGED WITH KEY STAKEHOLDERS

Stakeholder	Board Activity	How We Have Engaged
SHAREHOLDERS	In 2019, all decisions made regarding shareholder engagement were with the intent to ensure the long-term success of Centamin for the benefit of our shareholders. Key engagement activity related to: • The preparations for the Remuneration Report and policy • The approach made by Endeavour Mining Limited • Key appointments to the Board and senior management	**One-on-one meetings** – with key institutional shareholders over the phone, email and meetings. **Investor relations meetings and conferences** – regular conversations with key shareholders by the head of investor relations and directors. **Annual General Meeting** – attendance of AGM in 2019 by shareholders and engagement with proxy advisors and stewardship and governance teams. **Annual Reports and Accounts** – Online access of the report and accounts in simple language for all shareholders to understand the essence of the business. **Presentations, Disclosures and Public announcement** – Quarterly updates presented by the CEO, CFO and COO delivering key results including interactive calls.
EMPLOYEES	Consideration of the 2018 Code and the Board's ongoing commitment to employee engagement to include: • Ensuring adequate process exists to allow for employee engagement and sufficient training is available at the sites operations. • Ensuring talent is developed through the organisation and opportunities exist for nationals.	**Employee Engagement Committees** – Development of the Voice of Sukari, a forum by which employees are able to raise concerns and ideas that will receive the attention of the HSES Committee. A number of meetings have been held with two formal meetings to present initiatives for consideration by the HSES Committee and management team. Responses to the initiatives were considered further by the forum in early 2020. **Regular Updates** and reports from the executive and senior management team to the General Manager through periodic mailouts to daily pre-start and toolbox site meetings. **Policies and Procedures** – Whistleblowing platform with both internal and external grievance procedures. **Training and Development** – Train the Trainer programmes being developed for roll out in the coming year. The Board also started developing programmes that identify high performing Egyptian nationals and future leaders to aid succession.
COMMUNITY	Details of the Company's materiality assessment processes are set out in the Sustainability Report. The Board, through the HSES Committee identified the community leaders and key individuals to provide feedback, suggestions and ideas. The Board established a framework for evaluating proposed community initiatives and projects.	Through the HSES Committee the Board set up the following: Community Committee: A forum of three community leaders from within Marsa Alam provide feedback to SGM from the local community. In West Africa, the exploration sites remain low impact, however consultation with the local chiefs and heads of security to assess the needs of the community and relevance of projects. Full details of the community projects are set out in the Sustainability Report.
SUPPLIERS	The Board, through the Audit and Risk Committee, carried out a review of the procurement and tendering processes as well as the application of Anti-Bribery and Corruption procedures The Board established a methodology for identifying and assessing suppliers consistent with the Modern Slavery Act. The Board continues to develop ways of undertaking due diligence and/or risk assessments to verify compliance with the code of conduct principles.	**Supplier engagement** – Opportunity to complete the materiality assessment, details of which are set out in the Sustainability Report. **Policies and Procedures** – Review of the Code of Conduct, Human Rights Policy and Supplier code of conduct and Whistleblowing policy to ensure suppliers comply with the relevant laws, regulations and standards of the countries in which they operate.
GOVERNMENT	The Centamin Board approved the payment of royalties and taxes to host governments, which ultimately contributed to the economy of Egypt and West Africa to benefit the community. The Board ensured that the necessary payments were made in the following areas: • Profit share • Corporate taxes • Royalties • Exploration licence fees • Mining and other licence fees • Infrastructure improvements	**Formal meetings and correspondence –** with Government officials including Egyptian General Assembly. **On-site visits at Sukari** – EMRA representatives and audits under the concession agreement terms **Materiality assessment** – to receive feedback from authorities, the results of which are set out in the Sustainability Report.

Continuous engagement and effective communication is facilitated across the chain of stakeholders:



Shareholder communication

Governance

Annual General Meeting

The 2020 Annual General Meeting ("2020 AGM") will be held at 11.00 AM BST on Monday, 29 June 2020 at 2 Mulcaster Street, St Helier, Jersey, Channel Islands.

To protect the health and wellbeing on our employees, communities and shareholders, and in accordance with the UK and Jersey Government and public health guidance on COVID-19, the Centamin Board of Directors asks shareholders not to physically attend the 2020 AGM. Shareholders are encouraged to complete and submit their votes online and to submit any questions to the registrar in advance of the 2020 AGM.

To fulfil the statutory obligation, a quorum of two members will be physically present at the meeting, whilst adhering to social distancing measures, one of whom will chair the meeting and cast the proxy votes of the members. Unless restrictions have been lifted by then, shareholders will not be able to attend in person but will be offered the opportunity to listen to formal business of the AGM through remote communications. Please note the following:

(i) We ask that you promptly return your proxy voting form, nominating the chair of the meeting to act as your proxy. All voting instructions and proxy materials will be included in the Notice of AGM

(ii) We expect that the official business of the meeting will last no more than 15 minutes, subject to answering questions which will have been submitted by shareholders in advance of the meeting

(iii) There will be no investor presentation following the official business of the 2020 AGM

The 2019 Annual Report and accounts and Notice of AGM will be mailed to shareholders in May. Details will also be available on the Company's website, www.centamin.com.

The Chairman, CEO, Senior Independent Non-Executive Director and Deputy Chairman, as well as 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 certain of the proxy advisory companies, which provide guidance and voting recommendations to shareholders, is discussed by the Board.

Shareholder communication is maintained through the following key information channels.

The Board is aware of the importance of dialogue with all shareholder groups by consistently keeping the market aware of the Group's activities, key decisions and any key changes. As part of our communication strategy, we recognise the need to continuously be in dialogue with our shareholders, maintain good corporate governance and most importantly listen to you when you express your views through the channels available. All our policies and procedures can be found on the Company's website.

A large proportion of the Company's shareholders are guided by proxy advisers and their voting recommendations, which can significantly impact voting outcomes at the Company's AGM.

Taking account of shareholders and wider stakeholders interests is an integral part of our strategic planning and decision-making processes.

COMPLIANCE AND GOVERNANCE COMMITTEE REPORT

2018 UK Corporate Governance Code

Compliance statement

The Company is incorporated in Jersey, Channel Islands. The Company, by virtue of the Listing Rules, is subject to the 2018 Corporate Governance Code (the "2018 Code") issued by the UK Financial Reporting Council ("FRC") and therefore the Company needs to confirm how it has applied the main principles and complied with all relevant provisions of the 2018 Code or to explain areas of non-compliance. The 2018 Code can be found on the FRC's website, www.frc.org.uk.

- During the year the Company has sought to comply with the 2018 Code and wider governance initiatives. Details on how the Company applied the main principles of the 2018 Code are set out further below.
- The Company has complied with all relevant provisions of the 2018 Code except for full compliance with the following:
  - Although less formal measures were in place from 1 January 2019 for employee engagement, the formal introduction of the 'Voice of Sukari', a charted forum for workforce engagement, came into effect midway through 2019 which forms part of the employee engagement initiative to comply with Provision 5.
  - The 2018 Code and best practice recommendations favour a chairman to be independent within the meaning of the 2018 Code and not to exceed nine years' tenure on the Board. Josef El-Raghy is not an independent non-executive chair and additional measures were in place during 2019 such that Edward Haslam (Deputy Chair and Senior Independent Director) took an active role to ensure the Board's ongoing effectiveness. On 1 January 2020 Jim Rutherford was appointed, taking on the role of deputy chair, and as an independent Non-Executive Director, will take over as the Board Chair from the 2020 AGM which will be in compliance with Provision 19.
  - As set out in the Directors Remuneration Report, the Remuneration Committee will, during the year, consider its approach to the post cessation shareholding requirements for directors as recommended by Provision 36.

The Board understands its responsibilities and duties to shareholders and stakeholders which is embedded in the Company's values and culture. As a Jersey registered company, the full requirements of section 172 of the UK Companies Act 2006 ("section 172") are additional to the directors' current obligations under Jersey Law. Understanding and, where necessary, implementing and updating policies to ensure compliance with section 172 has been considered throughout 2019, with support of the CGC and HSES Committees.

National Policy 58-201 – Toronto Stock Exchange

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 58-201 Corporate Governance Guidelines (NP 58-201).

1. Board Leadership and company purpose (Principles A–E)

The Board is collectively responsible for the long-term success of the Group by working effectively and innovatively as a leadership group. Accountability is at the heart of our governance framework and the Board have ensured that effective controls set up enable the management and assessment of risk to be undertaken. More information reflecting how we have assessed the impact we have within our sphere of influence is found in the Chairman's statement as well as the key activities of the Board during 2019 on pages 107 and 108. Safety is the key component forming the culture of the Company. As expanded on page 38 where we discuss the culture of the business, safety remains top of priority weaving the purpose and values of the Group. Whilst the purpose, value and culture is set by the Board, our people remain the driver of our culture in attaining the strategic targets set. The Board continues to commit itself to championing the safety culture and embedding it throughout the organisation.

The Voice of Sukari continues to be developed so it can become one of the stakeholder voices in Board decision-making. It continues to be the sounding board for all our employees to help the Group move forward in looking after our people who remain a great asset for the business. The Board, through the HSES Committee, had oversight on the set up of a Whistleblowing mechanism to allow all employees to be able to raise any matters of concern. Previously this was a matter reserved for the Audit and Risk Committee however, we have amended our Board Charter to ensure that we establish the whistleblowing mechanism as a matter reserved for the Board. Going forward in 2020, reports will be presented to the Board members concerning the analysis of concerns raised.

Our Board takes the matter of stakeholder engagement seriously – to understand our approach to engagement of this level, see the Relationship with Stakeholders section.

2. Division of responsibilities (Principles F–I)

Page 100 reflects the clear decision that exists between the Chair and the Chief Executive Officer to ensure that no individual has undisputed decision-making power. The process of recruiting a Chief Executive Officer has now completed and Martin Hogan has been appointment and has taken over from Ross Jerrard who had taken the CEO role in the interim concurrent to his CFO role.

Board composition – The Board currently comprises eleven members with Chair, Deputy Chairman, Senior Independent Director, Chief Executive Officer and Chief Financial Officer plus six independent Non-Executive Directors. Following the 2020 AGM, an additional Non-Executive Director will also be appointed to the Board with a strong technical background. The total number of Board members following the 2020 AGM is expected to be nine members (including a newly appointment technical Non-Executive Director).

Independence – At least half the Board, excluding the Chair, are independent as per the 2018 Code test of independence. Edward Haslam, our Senior Independent Director, will have served for nine years on the Board and will not be standing for re-election at the forthcoming 2020 AGM. Dr Sally Eyre will be taking on the role of Senior Independent Director effective from the 2020 AGM. Mark Arnesen will also have served for nine years on the Board and will not be standing for re-election at the forthcoming 2020 AGM. Following the intended retirements, the Board will continue to comply with the 2018 Code test of independence with Jim Rutherford, an independent Non-Executive Director, undertaking the role of Chair of the Company. It is noted that the Board considers Mark Bankes to be independent, notwithstanding the requirements of the 2018 Code with Mark Bankes having served on the Board for nine years. Additional measures will be put in place, such that Mark Bankes will not serve on mandated committees unless required to do so for continuity purposes during this short transitional period.

Director overboarding – All the director service agreements and engagement letters include a clause confirming that the directors have sufficient time to meet their responsibilities. In compliance with the Financial Conduct Authority's Listing Rules, we disclose any new external appointment approved by the Board for our existing directors. Approval by the Board is usually passed should this be of overall benefit to the business and with an understanding between the director and the Board that they would still be expected to meet their obligations together with the new appointment.

3. Composition, succession and evaluation (Principles J–L)

The Nomination Committee has been mandated with the task of ensuring the Board composition is balanced and diverse enabling appropriate succession for all key roles as well the ability to internally and externally evaluate the effectiveness of the Board and its committees.

Tenure of the chair – Major efforts have gone into ensuring we were successful in recruiting a Deputy Chair to facilitate the proposed transition of the newly appointed individual to take on the role of Chair of the Company at the 2020 AGM.

Succession planning and diversity – The Nomination Committee was successful in recommending the appointment of three independent Non-Executive Directors and the Deputy Chair as well as a new CEO. In compliance with diversity targets, as at 1 January 2020, our Board comprises 30% female representation (in line with the Hampton Alexander report) and two individuals who identify themselves as persons of colour (in line with the BAME). A diverse board relies on diverse skills, knowledge and experience in order to navigate our pillars of strategy to facilitate discussion and constructive debate in the boardroom. The Nomination Committee uses this approach to maintain a well-developed pipeline of talent and a balanced board.

Disclosure of contributions of individual Directors – A list of the director contributions in 2019 is included in their biographies. Further details will also be included in the notice of the 2020 AGM with confirmation from the Chair of the Board effectiveness in growing the business for the sake of our wider stakeholders.

Board evaluation – Once every three years, an external board evaluation is carried out therefore an evaluation was undertaken in 2019. The Nomination Committee, together with the Senior Independent Director had oversight of the external board evaluation carried out by GGG Limited. The evaluation covered key areas that matter to every Board and wider stakeholders such as board composition, strategy, risk and stakeholder management. Details of the process, analysis and recommendations are recorded on page 110.

4. Audit, risk and internal control (Principles M–O)

The Audit and Risk Committee terms of reference have been updated to meet the 2018 Code updates. With effect from the 2020 AGM the current chair of the Audit and Risk Committee will step down and hand over duties to Marna Cloete – an Independent Non-Executive Director. Mark Arnesen has served as chair of the Committee and now having served for nine years on the Board, he will be retiring as a director.

Internal and External Audit – The Board mandated the Audit and Risk Committee to monitor the effectiveness and independence of the internal audit function as well as the external auditors. The Board endorsed the appointment of PwC as the external auditors for the year-end 2019 audit. It is the responsibility of the Audit Committee to review key decisions and judgment within the Group concerning the financial statement and reporting whilst maintaining integrity in the reporting process.

Risk Management – Further details of our assessment of new and emerging risks are in the Principal Risks and Uncertainties Report on page 70.

5. Remuneration (Principles P–R)

We have ensured that in our preparation for committee refreshments, we encompass the requirement for the chair of the Remuneration Committee to have served on such a committee for at least twelve months. Our proposed committee membership reflects these considerations. The Board mandated the Remuneration Committee to assist with long-term and short term incentives that facilitate performance to deliver on Company's strategy whilst creating shareholder value.

Dear Shareholders

I am presenting this report as an update on the various activities undertaken by the Compliance and Governance Committee in 2019 in my capacity as Chair. This has been a year of significant change for the business as we continue to build a strong leadership team for the benefit of creating stronger governance structures. We have continued to make excellent progress implementing our succession plans and reshaping the Board to ensure we have the right balance of executive and non-executive skills and experience to support the business over the long-term.

The Board tasked the Committee to make recommendations in the following areas:

- Designing and/or redesigning, implementation, maintenance and monitoring of the Company's Corporate Compliance Programme and Code of Conduct to ensure compliance with corporate policies, legal rules and regulations; and
- The Company's activities in the area of corporate compliance that may impact the Company's business operations or public image, in light of applicable government and industry standards, legal and business trends and public policy issues

Key Responsibilities

- Overseeing corporate compliance in respect of government and industry standards
- Monitoring compliance in respect to listing rules for the London Stock Exchange and Toronto Stock Exchange
- Assess the Company's Code of Conduct and all other written compliance policies and procedures
- Board education and training needs
- Monitoring the activities and decisions made by the Disclosure Committee

Key Focus Areas During The Year

- the 2018 Code review as well as the section 172 on directors statutory and fiduciary duties
- Consideration of the proposed CGC Committee composition recommended by the Nomination Committee
- Policies and procedure updates impacting the governance of the Group
- Management of inside and material information regarding proposed corporate action from Endeavour

At the date of writing this report the following membership is in place for the committee:

- Mark Bankes
- Edward Haslam
- Dr Ibrahim Fawzy
- Mark Arnesen

All four members attended all the meetings held in 2019. Their skills and experience are listed under the biographies section on pages 92 to 95.

An initiative to redefine the roles and composition of the Board's committee structures, will mean that the CGC Committee will cease to exist in its current form following the 2020 AGM. The Committee's responsibilities will be allocated across a new Sustainability Committee and the Audit and Risk Committee. The Disclosure Committee will be constituted under the Company's Continuous Disclosure Policy and report to the Audit and Risk Committee or directly to the Board.

The activities of the CGC committee in 2019 are set out below:

Activities of the CGC Committee in 2019

Activities	Committee Commentary
Reviewing of the work of the Board and committees to identify any gaps or areas pertinent to the 2018 Code	Committee continued to monitor the progress for compliance to the 2018 Code.
Concession Agreement case Law no. 32 – Litigation/dispute update	The case is still before the Constitutional Court and there was no change in the situation during the year. The State Committee has been requested to submit a complementary report concerning the validity of Law no.32.
DFO case progress	No progress to report however, the Committee continues to monitor the progress in the Egyptian courts to resolve this dispute until the next hearing which will be scheduled once normal service resumes.
Continual review of the reporting requirements for complying with LSE and TSX disclosures	The Committee continues to actively review public disclosures to comply with all the required disclosures.
Reviewing of culture	Strategy Day held for the directors to review the values, behaviours and culture stimulating discussion to define the said areas.
Section 172	The Committee has supported where necessary, the implementation and updating of practices to ensure compliance with section 172.
Workforce and wider stakeholder engagement	The Voice of Sukari has been set up with appointed representatives from the workforce at Sukari and is a forum for sharing concerns, ideas and opportunities between the employees and the Board.
Cross jurisdictional legal and regulatory compliance	Australia MSA Legislation has been considered with assistance from external legal counsel in relation to Centamin's obligations under this legislation.
Regulatory and legal review and advising on related training requirements for the Board, management and workforce	The Committee receives updates on changes to the regulatory and legal environment. The Committee continues to consider these changes when reviewing corporate policies.
Monitoring of the proposed Corporate Action by Endeavour via the Disclosure Committee	The Committee continued to monitor information deemed sensitive and/or inside and/or material for the purposes of informed decision-making being made for the benefit of the shareholders and wider stakeholders. In relation to the Endeavour approach, a defence committee was established which resembled the composition of the Disclosure Committee but with specific terms of reference agreed by the Board to act in accordance with the Takeover Code.

Modern Slavery Act

Centamin has respect for internationally recognised human rights standards and we continue to improve efforts in monitoring our operations and business relationships that can be affected by poor human rights practices and ultimately affect our people. Safety, security and respecting the rights of the environment and the people in it are championed across the business. The Board continue to embrace human rights due diligence processes to identify, prevent and mitigate negative effects to our operations and relationship with wider community. We firmly believe that our Human Rights Policy facilitates the positive global ongoing work to fighting poor practices that contributes to Modern Slavery. Whilst Centamin is not in scope of the UK Modern Slavery Act 2015 (the "2015 Act") because of its operations being established outside the UK, the Committee considered it as good practice to respect the 2015 Act. The 2015 Act relates to slavery, servitude, forced compulsory labour and human trafficking which affects global supply chains. Consideration was also given to the Modern Slavery Act 2018 (Cth) (Commonwealth Act) which came into effect for accounting periods on or after 1 January 2019.

The Committee considers the guiding principles of the 2015 Act and equivalent legislation in Australia to set against the Company's positive record of accomplishment for employee welfare and highest health and safety standards. During the year, the Committee made recommendations to review the Human Rights Policy and Supplier Code of Conduct along with the Whistleblowing Policy, Code of Conduct and Anti-Bribery and Corruption policy. This review process involved a review of local Egyptian laws and regulations and a review by site to implement the policies.

Human Rights

A specific Human Rights Policy has been developed and recommended for approval by the CGC and HSES Committee. The policy covers all human rights-related aspects of our business and expressly cover modern slavery and human trafficking. Like all Centamin policies the Human Rights Policy is global in nature and applicable to all our operational and exploration sites. Compliance with this policy will be integrated into all supplier agreements and introduced to our supplier on-boarding programme.

Further consideration to the 2015 Act, the equivalent Australian legislation and related UK guidance on adherence with the 2015 Act's principles continue to be monitored regularly together with supplier risk assessments. It is our intention to continue focusing on raising awareness and understanding to the 2015 Act throughout the business.

Mark Bankes
Chairman of the Compliance and Corporate Governance Committee
18 May 2020

CASE STUDY
APPLICATION OF SECTION 172 OF THE UK COMPANIES ACT ("SECTION 172")

As a Jersey registered company, the full requirements of section 172 are additional to the directors' current obligations under Jersey Law. This obligation derives from the Company complying with these additional UK requirements in the 2018 Code (Provision 5), requiring that the matters considered in the decision-making process, as set out in section 172, are described in the Annual Report.

The Board considered section 172 and related guidance to ensure a full understanding of its obligations. When making decisions at board level, it is important that a full assessment, as part of the due diligence preparations, consider wider stakeholder groups, such that the Board is able to make informed decisions having regard to the following:

- the wider stakeholder groups impacted by a decision (including e.g. employees, community, new and existing suppliers)
- the likely consequences of any decision over the long-term
- the impact to the community and environment
- any reputational risks associated with the decision

The fiduciary duty to act in good faith and in compliance with section 172 is a duty on each and every director involved in the decision-making process. The Board understand that on submission of any proposal for approval, the Board must fully assess and consider the proposal and are responsible for making the final decision.

The Board concludes that it is sufficiently aware of the Group's stakeholders and, within a given project, have the required mechanism to assess and evaluate the stakeholders that are impacted, applying judgment and decisions in consideration of all stakeholders.

CASE STUDY
TAILINGS STORAGE FACILITY STAKEHOLDER CONSIDERATIONS

Centamin currently operates one active downstream tailings storage facility (TSF1). In 2019, the Board instructed a detailed review of TSF1 covering the adequacy of groundwater monitoring, inspections, embankment stability, technical reporting, emergency response (and related communication) and a review of the population at risk, based on given scenarios.

The assessment by the Board, the related remedial and reporting action plans, considered in detail wider stakeholder groups in the following context:

- **Wider stakeholder groups:**

  Among the stakeholder groups considered in the assessment were:

  – Our project partners EMRA

  – Employees and contractors based on site

  – External community, employees and contractors living in Marsa Alam (located approximately 35 kilometres away)

  – Contractors (past and present) engaged on all aspects of TSF1 construction through to monitoring and management

- **Employee engagement forum:**

  The communication awareness programme was designed so that information was available to all stakeholder groups potentially impacted by the TSF or any remedial or monitoring works. The Sukari Mine has a well-developed emergency action plan in the event of any potential breach. The plan is communicated to all employees and contractors and emergency drills are held regularly.

- **Consequences:**

  Safeguarding our workforce is of paramount importance and consideration was given on cost, stakeholder impact and risk mitigation to relocate facilities and the preferable options for the location of TSF1. Within the review, the consequences of stakeholder impacts were analysed. Critical path analysis as undertaken which resulted in the ability to defer the development of the TSF.

- **Community / environmental impact:**

  The Sukari Gold Mine does not discharge any process water back into the environment. TSF1 is lined to reduce the impact of any seepage or contamination of soil and groundwater. As part of the remedial actions, further boreholes were drilled at key points surrounding the dam, to further improve monitoring of water levels.

- **Reputation:**

  A significant dam failure at Sukari would be catastrophic, resulting in the likely loss of life, significant financial loss, loss of our license to operate and reputational damage. The importance of regular and systematic monitoring of the facility and maintenance of records is essential. The Board recognises the importance of keeping investors, the local community, the workforce and the growing number of interested parties informed of our track record, safety procedures and monitoring protocols.

NOMINATION COMMITTEE REPORT

"THE PROFILE OF THE BOARD HAS BEEN STRENGTHENED BY APPOINTING INDIVIDUALS WITH SKILLSETS ALIGNED WITH THE COMPANY'S STRATEGY AND PRESENTING A MUCH STRONGER SUCCESSION PLAN WITH A SUPPORTIVE POOL OF TALENT ACROSS THE BUSINESS."

EDWARD HASLAM
CHAIRMAN OF THE NOMINATION COMMITTEE

KEY RESPONSIBILITIES

- Board and committees structure, size and composition
- Balance of the Board's necessary and desirable competencies, skills, knowledge and experience
- Board and senior management succession plans
- The appointment, re-election and retirement of directors to the Board and committees
- Board and committee evaluation

KEY FOCUS AREAS DURING THE YEAR

- Succession planning for the Senior Independent Director or Deputy Chair
- Succession planning for the Chair
- Search for Independent Non-Executive Directors
- Search for new Chief Executive Officer
- Leadership and development pipeline
- Ensure effective implementation of the 2018 Code
- Development of a diverse board

KEY FOCUS FOR NEXT YEAR

- Chair transitional programme
- Continual development of the Board and senior management succession plan
- Induction and on-boarding of the newly appointed CEO

Dear Shareholder

It is my pleasure to write to you, our shareholders with an update on the **key highlights and progress on activities** embarked in 2019 that have been mandated for the Nomination Committee. As a committee mandated by the Board, our function is based on the following **four pillars** of which our effectiveness is based:

The Nomination Committee led the process in identifying and recommending three strong candidates and successfully nominating for appointment to the Board as Non-Executive Directors. We are pleased to have welcomed Dr Sally Eyre who joined in April 2019, Dr Catharine Farrow and Ms Marna Cloete in September 2019. This led to a strong, diverse and multi-disciplined board.

In September 2019 we also announced the retirement of Alison Baker and expressed our gratitude for the work that she had done for the Company and her active role as chair of the HSES Committee. In October, we announced Andrew Pardey's retirement. Andrew Pardey had served as CEO since February 2015 and after nearly twelve years of dedication, decided it was time to pursue other interests.

We are also pleased to welcome Martin Horgan who took on the role of Chief Executive Officer in April 2020. Martin is a qualified mining engineer with 25 years' experience in various areas of the mining industry.

Succession Planning has remained at the centre of the Board's main agenda, which has meant the Committee has been instrumental in the drafting and development of the plan to ensure its relevance in a dynamic environment. We embarked on and prioritised the continuation of the recruitment process and identification of Independent Non-Executive Directors. Egon Zehnder and more recently Korn Ferry were instrumental in the whole process as the Committee engaged their services to carry out an external search on our behalf.

We are pleased to announce that the Committee was successful in recommending the appointment to the Board of Jim Rutherford as Deputy Chair effective 1 January 2020. This and all other appointments have strengthened the Board with a wide breadth of skills, experience and perspectives that are relevant to Centamin and the environment in which it operates.

In 2019, as a Committee we met five times and made progress on the following activities:

- Recommended the appointment of three Non-Executive Directors
- Recommended the appointment of Deputy Chair to transition to Chair in 2020
- Undertook the requirements to search and recommend the appointment of a new Chief Executive Officer
- Reviewed and updated the succession plan to reflect the successful recruitment of Board and senior management roles including the talent pipeline
- Progressed in making recommendations on the composition of the Board and its committees
- The refreshment of the committees considering changes to the Board

Whilst there will be challenges and targets to achieve in 2020, we are confident that the successes of 2019 and strategies put in place by the Board will spur the committees in meeting the targets set to satisfy the needs of all our stakeholders.

The Nomination Committee has been very active this year as is consistent in previous years with all the key issues and details recorded in this report.

2020 marks my ninth anniversary serving on the Board of Centamin and I will be retiring at the forthcoming 2020 AGM. I am delighted to advise that Jim Rutherford will be taking over as chair of the Committee with effect from the date of the 2020 AGM.

Edward Haslam
Chairman of the Nomination Committee
18 May 2020

GOVERNANCE
NOMINATION COMMITTEE REPORT CONTINUED

Committee Purpose

The Nomination Committee continued to lead the process for nomination to the Board as appropriate. The composition of the Board and succession planning for Directors and senior management was given its full consideration by the Committee and ultimately the development of a diverse pipeline for succession. A continuous review and refreshing of the plan were undertaken throughout the year as is mandated by the Board for the Committee. For more information on the Committee's charters please visit the companies website on www.centamin.com

Membership

During the year, the Committee comprised of wholly independent Non-Executive Directors namely Edward Haslam, Mark Arnesen and Mark Bankes. Alison Baker was also part of the Committee until September 2019 when her retirement was announced. Mark Bankes stepped down from the Remuneration Committee to take on membership on the Nomination Committee.

The Committee membership continues to reflect the skills and experience necessary to be a member therein. However, the biographies on pages 92 to 95 detail the skills of each Board member and their contributions towards the success of the Company.

Individual attendance at the meetings held during the year are set out below:

Meetings held in 2019

Member	Meetings attended in 2019
Edward Haslam	◆◆◆◆◆
Mark Arnesen	◆◆◆◆◆
Mark Bankes *	◆◆◆
Alison Baker**	◆◆◆

* Appointed to the Committee on 24 April 2019

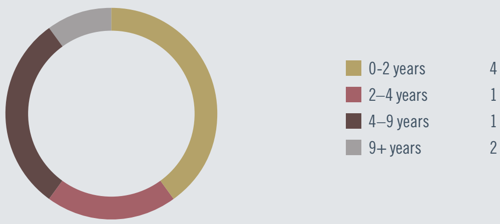
** Resigned from the Board and Committee on 2 September 2019

BOARD SKILLS

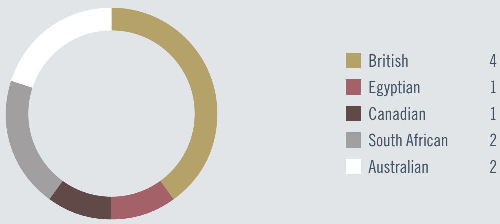
BOARD MEMBERS BY GENDER

BALANCE OF THE BOARD

NON-EXECUTIVE TENURE



BOARD MEMBERS BY NATIONALITY



Culture – the way we work

The culture of the Committee is determined by Centamin values and as such are reflected in the Committee's Charter. The Nomination Committee places importance on the way the business works as it is mandated to reflect a transparent way of working. The policies that are drafted and recommended to the Board by the Committee reflect the values below for the Company to continue to be a success:

Protect
- The environment
- Our workforce
- Communities
- Supply chain

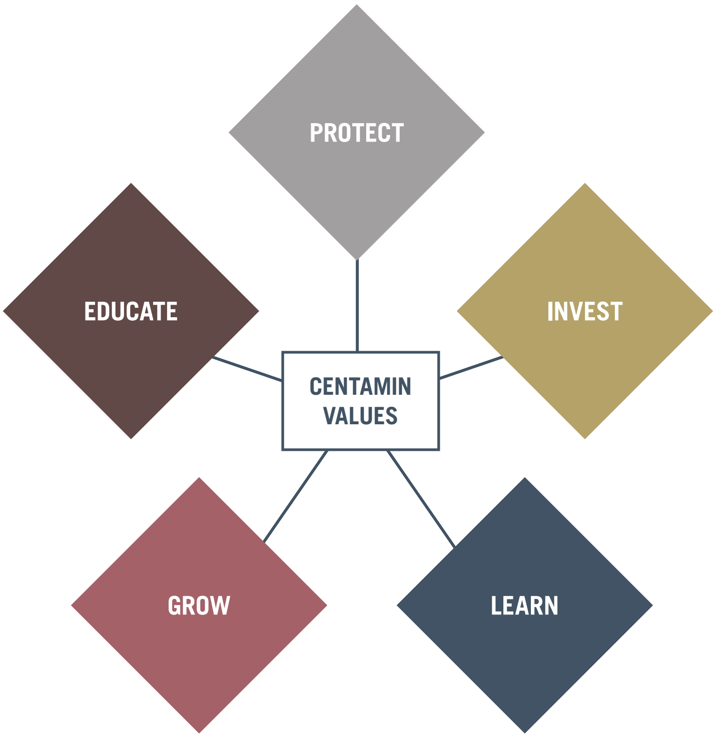
Invest
- In our people
- Communities
- Sustainability of the business
- Future of the business

Learn
- From our colleagues
- Owners & partners
- New technologies
- Communities

Grow
- The business
- As individuals
- Grow the stakeholder returns

Educate
- Workplace development
- Our communities
- Our shareholders & partners

Figure 1.1 Centamin Values reflected in mandate of the Committee



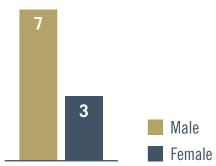
Diversity at Board and senior management

Diversity continues to be an area of focus for the Committee as the Board understands the importance of it within our workforce with focus on the value of developing a diverse pipeline for succession to senior management. The Committee believes in diversity of minds as a result of attracting the best people from all backgrounds regardless of gender, ethnicity and age.

Our recruitment processes reflect Centamin as an equal opportunity employer, prohibiting any form of discrimination as per the Company Code of Conduct giving due consideration to the environment and local regulatory framework we operate in. In 2018, the Board committed to promoting diversity of gender as then it stood on 12.5%. In 2019, there has been a significant increase in the number of women on the Board to 30% (as at 1 January 2020) which has enabled us to be broadly in line with meeting the target set by the Hampton Alexander Review of having 33% of women on FTSE 250 company boards by 2020. We continue to work to improve women's representation at Board level and in senior leadership positions.

The 2018 Code states that the new gender balance disclosure requirement covers "senior managers and their direct reports" where senior manager is defined as the executive committee or first layer of management below board level inclusive of the company secretary. Based on this, Centamin has 30% of women in senior management including their direct reports as at 1 January 2020. See summary graph below:

Direct Reports to Executive Committee



Developing a diverse workforce

As an equal opportunity Company operating in Egypt, there are circumstances that may hinder some of the aspirational goals to attract more women in the mining sector, however respect must be given to the law and customs of operational environment. At Sukari, it is important to understand that no female employees are encouraged to work at remote sites as the local regulation includes several provisions to restrict the working hours to be between 7.00 pm and 7.00 am which poses as a challenge for female employees. This is compounded by restrictions on the type of work that is permissible for female employees on an operational mine site.

Egypt, Burkina Faso and Côte d'Ivoire – Positive progress

Whilst the mining sector has historically not been attractive to women for a host of reasons, at Centamin we encourage positive progress in terms of female representation. Recognising the many complexities that may vary from country to country, it was identified that many of the roles that women are taking on are as follows:

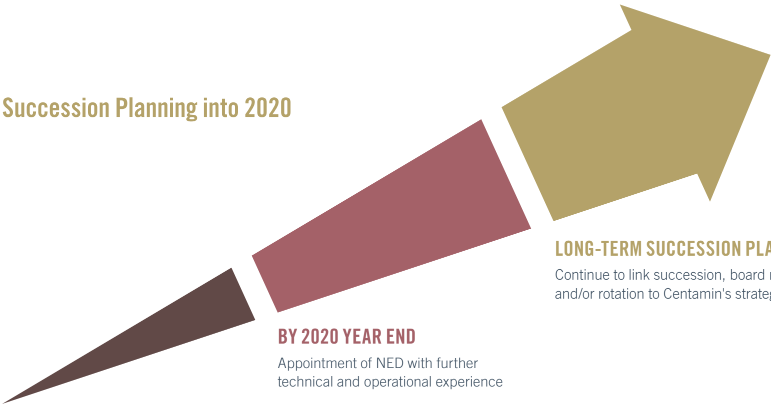
- Human Resources roles
- Finance roles
- Business development
- HSES
- Geologists

The Company's activities continue to provide direct and indirect employment to these regions and the various projects continue to serve as awareness programmes for creating and developing a diverse network. Detailed information of the workforce is available in a separate Sustainability Report.

2018 CORPORATE GOVERNANCE CODE – PROGRESS

Area of focus	Matters considered	Outcome
BOARD DIVERSITY	• Committee's role was to review the Hampton-Alexander targets with the aim to meet the 33% for female representation on the Board; and • It was on the Committee's agenda to monitor the targets of the Parker Review which state that each FTSE 250 Board should have at least one director identifying as a person of colour.	• Successful appointments of female Non-Executive Directors recommended to the Board leading the Board to be broadly in line with meeting the target which stands at 33%; and • The Board is currently in line with the Parker review target with two directors identifying as people of colour.
WORKFORCE DIVERSITY	• Collaborative working between the Nomination Committee and HSES Committee to identify opportunities to improve diversity within the workforce	• The Company continues to provide employment directly and indirectly to people from diverse backgrounds in HR, Finance and geology and administrative jobs
OVERBOARDING	• Actively advise the Board on any new additional appointments that directors may take on, for approval by the Board. • Directors should have sufficient time to meet their responsibilities	• The Nomination Committee maintains a list of all directorships that directors have and report on any new appointments accepted subject to board approval • During the year (August 2019) Dr Sally Eyre had an additional external appointment approved to be a NED of Ero Copper Corp. This was reported in accordance with the listing rules.
EXTERNAL EVALUATIONS	• Engaging an external facilitator to conduct an external board evaluation in 2019, taking into consideration the recommendations of the 2018 Code	• GGG Limited facilitated an external evaluation at the approval of the Board. Further details of the results and recommendations are available on page 110 of this Annual report.
TALENT MANAGEMENT	• Taking an active interest in how talent at operational and corporate level is identified, assessed and ensure there are programmes to ensure identified individuals are challenged and have a clear career path.	• New senior management appointments made in 2019 and the continual update and tracking of the succession plan for senior management
CHAIR TENURE	• Recommendation by the Committee, to nominate and appoint Jim Rutherford for the position of Deputy Chair with the intention for him to become Josef El-Raghy's successor at the 2020 AGM. See looking forward statement	• The Committee successfully recommended the appointment of Deputy Chair of which Jim Rutherford was successfully nominated and appointed.

Succession Planning into 2020



LONG-TERM SUCCESSION PLAN
Continue to link succession, board refreshment and/or rotation to Centamin's strategy

BY 2020 YEAR END
Appointment of NED with further technical and operational experience

BY AGM IN 2020
Retirement of Josef El Raghy as Chair
Retirement of Ed Haslam and Mark Arnesen

Effective corporate governance begins with a strong Board, led by the Chairman, with the appropriate skills and experience to challenge and support the Executive team in delivering the corporate strategy. The Board transformation throughout 2019 reflects the Company's ongoing commitment to achieving the highest standards of corporate governance.

Board Composition[1]

In accordance with the 2018 UK Corporate Governance Code ("2018 Code") and Centamin's ongoing board succession programme, the Company has made the following changes to its Board composition:

- Appointment of Dr Sally Eyre, Marna Cloete and Dr Catharine Farrow as independent Non-Executive Directors in 2019, and in 2020, appointment of Jim Rutherford as independent Deputy Non-Executive Chairman
- On 3 October 2019, Andrew Pardey stepped down as CEO and Executive Director; Ross Jerrard, CFO and Executive Director stepped in as interim CEO
- On 6 April 2020, Martin Horgan was appointed as CEO and Executive Director, following a thorough international search process; Ross Jerrard continued with his responsibilities as CFO
- Josef El-Raghy, Chairman, will not stand for re-election at the upcoming 2020 AGM
- Completing a comprehensive handover, Jim Rutherford will become the independent Non-Executive Chairman ("NEC") from 29 June 2020
- Following a nine-year tenure, Gordon "Ed" Haslam, Senior Independent Director ("SID"), will not stand for re-election at the upcoming 2020 AGM
- Dr Sally Eyre will assume the Senior Independent Director role, effective 29 June 2020
- Following a nine-year tenure, Mark Arnesen, Non-Executive Director, will not stand for re-election at the upcoming 2020 AGM
- An active recruitment process is underway to identify and appoint an independent non-executive director to chair the new Technical Committee which will be mandated from 29 June 2020

Following the 2020 AGM, as at 29 June 2020, there will be eight Board Directors, including six Non-Executive Directors and two Executive Directors. In accordance with the 2018 Code the Board is greater than 50% independent.

CURRENT	PRIOR TO THE 2020 AGM			EFFECTIVE POST AGM
Non-Independent Chair Josef El-Raghy	**Non-Independent Chair** Josef El-Raghy	**JEL handover to JR**	**Independent Chair** Jim Rutherford	**Independent Chair** Jim Rutherford
Executive Director Martin Horgan – CEO Ross Jerrard – Interim CEO	**Executive Director** Martin Horgan – CEO Ross Jerrard – Interim CEO			**Executive Directors** Martin Horgan Ross Jerrard –CFO
Directors reaching nine year service (per the Code) Mark Bankes Mark Arnesen Ed Haslam	Mark Arnesen ARC duties to Marna Cloete Ed Haslam Nomco duties to Jim Rutherford and Remco duties to Dr Sally Eyre		**Director with nine year service (per the Code)** Mark Bankes MB to continue to be independent but shall retire from ARC during 2020	**Director with nine year service (per the Code)** Mark Bankes
Independent Non-Executive Directors Jim Rutherford (Deputy Chair/SID) Dr Ibrahim Fawzy Dr Catharine Farrow Dr Sally Eyre Marna Cloete	**Independent Non-Executive Directors** Dr Ibrahim Fawzy Dr Catharine Farrow Dr Sally Eyre Marna Cloete			**Independent Non-Executive Directors** Dr Sally Eyre (SID) New Technical NED Dr Ibrahim Fawzy Dr Catharine Farrow Marna Cloete

Recruitment process of a new NED with technical and operational experience

(1) Disclosures in accordance with LR9.6.11

Committee restructuring and rotation

As part of the Company's recent Board transformation, a full effectiveness review and refreshment was conducted across the Board committee mandates and composition. The material changes are outlined below:

Health, Safety, Environmental and Social Committee ("HSES") to be evolved into the Sustainability Committee

- The new Sustainability Committee will have focus across the health and safety, environmental, social (including employee engagement) and governance. Aspects of risk associated with the Company's license to operate will be considered by this Committee. A review of the charter and interaction with the Board Audit and Risk Committees and other committees, including a new Technical Committee will be considered in the review.

Technical Committee to be established as a new committee

- The new Technical Committee will support and advise the Board in reviewing technical and operational matters. The committee will help in monitoring decisions and processes designed to ensure the integrity of the Group's reserve and resource estimations. The committee will also be responsible for technical reporting, internal quality control and assurance over the Group's mining assets and exploration, including oversight of the life of asset, production and exploration.
- The recruitment process for a new non-executive director, with technical and operating experience, has been led by the Nomination Committee and is well progressed. An appointment is expected to be announced in Q2 2020 and it is intended they will chair the Technical Committee.

Compliance and Corporate Governance Committee to be discontinued in its current form

- The Compliance and Corporate Governance Committee responsibilities have been reassigned to the Sustainability Committee, the Audit and Risk Committee and the Board.
- The Disclosure Committee will continue in accordance with the Company's Continuous Disclosure Policy and will report directly to the Audit and Risk Committee and, where necessary, to the Board.

The Board understands the benefits of refreshing its composition, committee structures as well as planning for future succession. The changes to the committee structures illustrate the Company's commitment to continue to evolve and strengthen our governance model in line with the rapidly changing global environment with which we operate. Please see the below planned changes to the Board committee membership, effective 29 June 2020, following the 2020 AGM:

- Dr Sally Eyre will chair the Remuneration Committee and become a member of the Nomination Committee and Technical Committee
- Jim Rutherford will chair the Nomination Committee and become a member of the Remuneration Committee
- Dr Catharine Farrow will chair the new Sustainability Committee and become a member of the Technical Committee and Audit and Risk Committee
- Marna Cloete will chair the Audit and Risk Committee and become a member of the Remuneration Committee and Sustainability Committee
- Dr Ibrahim Fawzy will become a member of the Nomination Committee and Sustainability Committee
- Ongoing succession planning including an active process is underway to appoint an independent non-executive director specifically with technical and operating expertise to Chair the newly established Technical Committee and planned to become a member of the Audit and Risk Committee and Sustainability Committee.
- Mark Bankes will join the Technical Committee and in the short term will remain on the Audit and Risk Committee until the above appointment is made – expected in H1 2020.

CURRENT COMMITTEE MEMBERSHIP[1], AS AT 18 MAY 2020

Audit and Risk	Remuneration	Nomination	Health, Safety, Environmental & Sustainability	Compliance and Corporate Governance
Mark Arnesen NED (Chair) Edward Haslam SID Mark Bankes NED Marna Cloete NED	Edward Haslam SID (Chair) Mark Arnesen NED Dr Sally Eyre NED	Edward Haslam SID (Chair) Mark Arnesen NED Mark Bankes NED	Edward Haslam SID (Chair) Dr Ibrahim Fawzy NED	Mark Bankes NED (Chair) Edward Haslam SID Mark Arnesen NED Dr Ibrahim Fawzy NED

Structure at the time of publication of report

PLANNED COMMITTEE MEMBERSHIP, EFFECTIVE 29 JUNE 2020

At the recommendation of the Nomination Committee, the Centamin Board has approved the following planned Committee membership to take effect following the 2020 AGM:

Audit and Risk	Remuneration	Nomination	Sustainability	Technical
Marna Cloete NED (Chair) Dr Catharine Farrow NED New Technical Director NED Mark Bankes[2] NED	Dr Sally Eyre SID (Chair) Jim Rutherford NED Marna Cloete NED	Jim Rutherford NED (Chair) Dr Sally Eyre SID Mark Bankes NED Dr Ibrahim Fawzy NED	Dr Catharine Farrow NED (Chair) Marna Cloete NED Dr Ibrahim Fawzy NED New Technical Director NED	New Technical Director NED (Chair) Dr Sally Eyre SID Mark Bankes NED Dr Catharine Farrow NED

Proposed structure post AGM 2020

(1) Jim Rutherford has been attending Committee meetings as part of his Chairman handover, to understand the activities that are undertaken
(2) Mark Bankes to step down from the committee following the appointment of a new technical non-executive director

AUDIT AND RISK COMMITTEE REPORT

"I AM PLEASED TO PRESENT THIS REPORT COVERING THE ACTIVITIES OF THE AUDIT AND RISK COMMITTEE DURING 2019."

MARK ARNESEN
CHAIRMAN OF THE AUDIT AND RISK COMMITTEE

Dear shareholders

I am pleased to present this report covering the activities of the Audit and Risk Committee during 2019.

During the year, the Audit and Risk Committee carried out an evaluation of its own performance and the effectiveness of the internal and external auditors. The considerations of the Committee are set out in this report. The Audit and Risk Committee also considered its composition and the competency, availability and contribution of its members and were pleased to welcome Marna Cloete who has contributed significantly since her appointment to the Board in 2019.

Significant issues considered during the year by the Audit and Risk Committee

The following significant issues were considered during the year (full details and analysis are set out in note 1 to the financial statements).

TOPIC	SIGNIFICANT ISSUE	SUMMARY OF THE SIGNIFICANT ISSUE	KEY ACTION POINTS
Accounting standards	Accounting for transactions	Adoption of the following new and revised accounting policies: IFRS 16 'Leases' has been applied since 1 January 2019, the impact of which has been disclosed	**Committee actions** The Audit and Risk Committee considered the new and revised policies during the year with no significant impact to the annual results
Accounting standards	Accounting for transactions	There were no new standards, amendments and interpretations not yet adopted	

Significant issues considered during the year by the Audit and Risk Committee continued

TOPIC	SIGNIFICANT ISSUE	SUMMARY OF THE SIGNIFICANT ISSUE	KEY ACTION POINTS
Impairment of assets (other than financial assets)	Accounting for transactions	In accordance with the requirements of IAS 36 'Impairment of assets' and IFRS 6 'Exploration for and evaluation of mineral resources' performed an impairment assessment for the Company's different cash generating units including Sukari and the exploration and evaluation assets in West Africa for the year ended 31 December 2019	**Committee actions** The Audit and Risk Committee reviewed the papers presented by management in respect to IAS 36 and IFRS 6 and were in agreement with management's conclusion based on the impairment assessment that no impairments were required. The Audit and Risk Committee reviewed as part of the assessment for potential impairment at Sukari, the updated mine plan, latest reserve and resource update and production profile for 2020
Accounting basis of preparation	Going concern and longer term viability	The Director's performed an assessment of the entity's ability to continue as a going concern at the end of each reporting period. The period of the assessment covered at least twelve months from the date of signing the financial statements. This assessment included a scenario analysis of potential impacts of COVID-19 on the Group and whether it has sufficient liquidity to continue to operate in all scenarios. In all four severe scenarios sufficient liquidity levels were maintained without implementing significant mitigating factors and cost reduction strategies. In addition to the twelve month going concern consideration, the Directors assessed the Company's prospects over the longer term, specifically addressing a period of five years as part of the overall viability statement. The period of five years was considered appropriate as this reflected the preparation period for a detailed budget. Details of the viability statement and review assessment can be found in the Strategic Report on pages 82 and 83. Under guidelines set out by the 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 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: • the successful outcome of ongoing litigation as discussed in note 5.1 to the financial statements; • COVID-19 scenario analysis • the latest life of mine plans • reserve and resource update • 2020 – 2024 forecast gold production • estimated gold price; and • variable and fixed cost assumptions These financial statements for the year ended 31 December 2019 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.	

Fair, balanced and understandable

The Audit and Risk Committee is satisfied that the controls over the accuracy and consistency of the information in the 2019 Annual Report were sufficiently robust. The Audit and Risk Committee reviewed the control environment and is in receipt of monthly, quarterly and annual financial and budgetary information. The Audit and Risk Committee is also involved in the review of all key accounting policies and matters requiring judgment and estimation.

The Audit and Risk 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 Audit and Risk 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 Governance Report).

The Audit and Risk Committee was conscious whilst reviewing all aspects of the Annual Report of the production outcome in 2019. It was important to balance the report to reflect the relatively lower production rates in 2019 than that experienced in 2016 and 2017. In addition, the profile through the year showed a near record quarter in Q4 2019 but this must be balanced against a weaker Q3 which was impacted by slower mining rates. Fair representation of these matters and how they are reflected throughout the Annual Report was important to the members of the Audit and Risk Committee.

The Audit and Risk Committee was also mindful of the balance in reporting of non-financial performance measures such as exploration and resource and reserve definition progress across the Group's operations. The updated resource and reserve statements set out in the Strategic Report were also an area of focus, ensuring that reserve growth, replacement and depletion were given equal weighting. The Audit and Risk Committee considered the relative emphasis on the activity across West Africa and in Egypt, ensuring that the success in resource growth was matched with the relative cost in delivering the exploration programmes.

The Audit and Risk Committee, in reviewing the Annual Report, also noted the need for clear and concise reporting. The members of the Audit and Risk Committee have worked with management to demonstrate, through structured tables, graphs and images, the linkages between risk, the Company's strategic aims and the structure for rewarding performance.

The Audit and Risk Committee also recognised the importance to reflect clearly within the Annual Report the potential risks associated with the global outbreak of COVID-19. Further detail is covered in the Strategic Report on page 70 and in the Principal Risks and Uncertainties on page 76.

The Audit and Risk Committee recommended and, with agreement of the Board, 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 Annual Report would be able to understand our position, strategy, business model and overall performance, which were presented consistently throughout the Annual Report.

External auditor

During 2019, the Company's external auditor, PricewaterhouseCoopers LLP ("PwC") presented their detailed audit plan and final audit findings and recommendations to the Audit and Risk Committee. The Audit and Risk Committee agreed with the audit approach at the planning stage and agreed with the materiality thresholds, identification of the key risk areas and significant judgments and estimates.

Annual Report evaluation and benchmarking

The management team met with PwC to critically assess the 2019 Annual Report, discuss ways to improve the report for shareholders. This was the third year that such a review was performed. The session provided useful insight into the following:

- Strategic Report
  - linkages between the Strategic Report, the KPIs and principal and emerging risks
  - concise reporting throughout the Annual Report
  - non-financial reporting
  - capital projects and stakeholder engagement in compliance with section 172 directors' duties; and
  - setting clear sustainable goals and targets.
- Governance Report
  - activities undertaken on employee engagement
  - communication of the Group's purpose and mission statement
  - governance reform and reporting; and
  - linkages between governance, business and the strategy.
- Financial statements
  - balance across the Annual Report as a whole
  - understanding of the key judgments and estimates; and
  - explanation of key accounting policies and application to the Group.

Through benchmarking and reviewing trends in reporting and industry leading disclosure the Company hopes to continue to evolve and develop a high standard of reporting for its shareholders.

External auditor effectiveness

In accordance with the terms of reference of the Audit and Risk Committee, a review of the effectiveness of the external auditor was undertaken at the half-year and annual statutory audit. To assess auditor effectiveness the following factors were considered using an auditor assessment tool completed by each member of the Audit and Risk Committee and the CFO. The assessment tool included approximately 24 questions which were completed by way of questionnaire:

- the relevant law, regulation, the FRC's Revised Ethical Standard and other professional requirements as well as the Group's relationship with the auditor as a whole. This included assessing for any potential threats to the auditor's independence and the safeguards in place to mitigate potential threats including the provision of any non-audit services;
- the committee were satisfied that no relationships existed between the Company and the external audit (apart from the ordinary course of business) which could adversely affect the auditors independence and objectivity;
- the committee were satisfied of the qualifications, expertise and resources of the auditor including a report of the auditor's own internal quality procedures; and
- the audit process including the quality of the audit which was assessed by the committee by looking at how key judgments were handled as well as how the auditor responded to questions raised.

All the above mentioned factors were also considered together with the feedback that came from members of the finance team and senior management. The Audit and Risk Committee, including other actions arising from the review, considered overall feedback from this process. During the year, the key issue presented by the auditor were around areas of estimates such as, impairment assessment of non-current assets and going concern, this is an example of high quality challenge exemplified by the auditor. Due to a changing reporting timeline, which was due to many factors including the unsolicited approach from Endeavour, the Financial Conduct Authority ("FCA") moratorium in the wake of COVID-19 and changes in personnel, the auditor remained flexible and worked with management in a manner considered appropriate by the committee. Following the evaluation process, any relevant findings were relayed to the audit partner and, where applicable, actions were incorporated into the audit plan.

Audit partner

The Audit and Risk Committee is pleased with the performance of the audit partner, Jonathan Lambert. The audit partner provided appropriate challenge to management and the committee and addressed any technical accounting issues in a professional manner.

AUDIT AREA	OBSERVATIONS BY THE AUDIT AND RISK COMMITTEE
Audit planning	The planning documents had sufficient detail and were presented in a timely manner. The audit plan was adhered to by the auditor and the audit opinion released on 18 May 2020 based on a revised timetable to take account of the FCA moratorium and related guidance on publishing financial information.
Leadership and communication	The Committee notes the experience of the team in the mining and extractive sector and worked well with the finance team at a site and corporate level, providing a good level of challenge as well as guidance, where needed.
Assessment of independence	There were no areas that conflicted PwC's independence.
Audit costs	The Audit and Risk Committee was encouraged by the way the auditor continued to utilise resources across the jurisdictions by joining up the audit teams across Jersey, UK and Egypt. The challenges faced following the COVID-19 pandemic and related lock-down were managed well leveraging off existing IT platforms and online communication tools. The fees year on year have remained in line with expectations although have increased due to the extended timetable.

There has been open communication between the Audit and Risk Committee and the audit partner throughout the statutory audit and management has also worked directly with the audit team. PwC has also had open access to the Board.

The audit team visits Sukari regularly to carry out inventory testing as well as assessing controls and substantive testing. PwC also carry out audit work at our administrative offices in Egypt and Jersey.

Having carried out the evaluation, the Audit and Risk Committee is satisfied that the audit engagement for the financial year ended 2019 was both effective and added value to the Group.

Non-audit services

The Committee maintains an independence policy in respect of the provision of services by the external auditor. The Committee regularly reviews this policy for necessary changes in response to changes in related standards and regulatory requirements. Following the issuance of the new independence rules for market traded companies incorporated in the Crown Dependencies, the committee updated its independence policy to reflect these new rules.

This policy, designed to safeguard auditor objectivity and independence, includes rules relating to the provision of audit services, audit-related services and other non-audit services, and stipulates that all non-audit services now require specific prior approval by the Committee.

The policy also defines prohibited services that are not to be provided by the auditor as these represent a risk to external auditor independence. Prohibited services are any that relate to management decision-taking or any other service that would compromise auditor independence or the perception thereof. These prohibited services include all services listed as prohibited in the auditor independence rules.

For certain services that are not prohibited, because of the knowledge and experience of the external auditor and/or for reasons of confidentiality, it can be more efficient or prudent to engage the external auditor rather than another party. This is particularly the case in relation to audit-related assurance services that are closely connected to the audit function where the external auditor has the benefit of knowledge gained from work already performed as part of the audit.

Non-audit work carried out by PwC during the year involved advice regarding the Group's risk register and linkages through to the mining operations and exploration activities. 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 requires approval in advance by the Audit Committee of all non-audit services carried out by the external auditor.

Fees for audit services incurred during the year amounted to US$543k; there were non-audit services carried out by PwC during the year of US$304k. Full details are set out in note 6.5 to the financial statements.

The Company's policy is to tender the external audit every ten years. The last audit tender was undertaken in 2014 when PwC was appointed auditor. PwC have been auditor of the Company for six years.

Auditor objectivity and independence

The Audit and Risk Committee continues to monitor the auditor's objectivity and independence and is satisfied that PwC and the Group have appropriate policies and procedures in place to ensure that these requirements are not compromised, as evidenced by the change in audit partner in 2018.

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 Audit and Risk Committee has answered any questions raised by the auditor allowing the auditor to carry out its duties.

The Audit and Risk Committee recommends to the Board the re-appointment of PwC as auditor at the forthcoming annual general meeting. PwC has expressed its willingness to continue in office as auditor.

Internal auditor

BDO LLP, the Group's externally appointed internal auditor, worked with the Audit and Risk Committee to agree an action plan for 2019 and 2020.

As part of the assessment to identify the required actions, the internal audit team spent time with the Audit and Risk Committee and met with management to identify their needs and carried out work on-site at Sukari. Summary findings of the audit needs assessment were shared with the Audit and Risk Committee and formed the basis of the action plan for 2019/20.

The audit areas, actions and findings are summarised in the table.

AREA AUDITED	OBJECTIVE	FINDINGS
Anti-bribery and corruption	The objective of the internal audit is to provide assurance on the measures Centamin has in place to prevent bribery and corruption and ensure compliance with the relevant Group and operational level legislation The work will consider whether implemented controls have been adequately designed to mitigate inherent risks and whether these controls are operating effectively	The initial internal audit was undertaken in late 2018 with key recommendations shared with the Audit and Risk Committee in Q2 2019: • Regular review and update of the ABC, Code of Conduct and Whistleblowing policies to ensure these mitigate the ABC risks to Centamin and are available to staff in English, Arabic and French languages • Management review and update the training information and presentations given to staff so that it contains guidance on ABC and that this training should be given in the language of the country with which Centamin operates in, and assessing attendees' understanding after the completion of the training
Payroll	The objective of the internal audit is to assess the adequacy and effectiveness of the controls that are in place to mitigate the risks within the area of payroll The work will assess whether implemented controls have been adequately designed to mitigate inherent risks and whether these controls are operating effectively through testing, using data analytics tools and analysis techniques	The initial audit was undertaken in the last quarter of 2019 with recommendations provided to the Audit and Risk Committee in early 2020: • Adequate segregation of duties between employees processing amendments to the employee master file, submission of departmental timesheets, processing the payroll and review • Software systems and access controls are well administered and controlled
Contract Management	The objective of the internal audit is to assess the adequacy and effectiveness of the controls that are in place to mitigate the risks within the area of contract management The review will consider whether the design of the control environment, compare it good practice and identify any gaps of that comparison	The initial audit was undertaken in the last quarter of 2019 with recommendations provided to the Audit and Risk Committee in early 2020: • Interaction between procurement and operation staff is high enough to permit a shared understanding of challenges and a collaborative approach to resolving issues • The contract register that contains information to support monitoring through the life of contracts and triggers tender action and review • Confirmation of receipt of goods and services is required for all contracts, whether they are covered by a formal contract or a PO. The use of the job completion form process requiring the end user to confirm receipt of the service provided strengthens this process

The Committee considers the effectiveness of the internal auditor by reviewing the actions against the original scoping document, any improvements in controls over systems or policies and the cost effectiveness of the actions and assurance review. As well as providing assurance over key areas identified in the scoping document, the committee assesses the performance of the internal auditor for areas of value add.

The Committee noted that whilst a reasonable approach to the existing scope of work had been undertaken during 2019, resourcing was necessary within the business to maximise the impact of recommendations that were being put forward by the internal auditor.

The Committee will be working with management to review the level of independent assurance which is provided to the Group in 2020. Firstly, the Committee will assess the resources and range of providers that currently provide third party assurance and determine where our needs should be met over the longer term.

The Audit and Risk Committee will monitor the internal auditor's progress this year and ensure they continue to have access to the required resources and information to complete their scope in 2020. Over the course of 2020 it is expected that BDO will work with the newly appointed Head of Risk to ensure that their activities align with the refresh of the governance, risk and internal control framework.

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 Audit and Risk Committee will ultimately be seeking an independent viewpoint and assurance over the internal control environment from BDO LLP.

CORPORATE GOVERNANCE
AUDIT AND RISK COMMITTEE REPORT CONTINUED

Control environment

While the Board has overall responsibility for ensuring the adequacy of internal controls, the Board has delegated certain responsibilities to the Committee. These include responsibility over monitoring the effectiveness and design of policies and internal control 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.

During the year, the Committee reviewed the overall control environment, including specific financial controls and procedures. The review was carried out by the finance team, which assessed the reporting channels and information flows primarily between the Company's head office and the operating sites. The existing systems were considered sufficient to capture the required financial data, however the Committee felt that enhanced data caption at an operational level, would provide more meaningful information to management. For example, the reporting could predict, with greater speed and accuracy, potential changes in mining practices, and the impact of those changes to the mine plan or scheduling.

The changes in personnel during the year also highlighted the reliance on key individuals who relied upon systems with manual processes and authorisation of transactions. Whilst manual intervention may pose a risk, the level of scrutiny and controls were considered sufficient based on the current size and complexity of the organisation. With the growth strategy of the Company in mind, further investment in data caption systems may be necessary.

The Committee concluded that the finance team were currently sufficiently resourced with adequate controls, such that management and the Board were in a position to receive timely and accurate information to make informed decisions.

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.

Risk assessment

The Board has overall responsibility for establishing a robust risk management framework and assessing material strategic and operational risks across the Group, including consideration of new and emerging risks alongside the principal risks. In addition, the Board is responsible for articulating the Group's risk appetite against the principal risks.

Full details of the risk management and control environment are provided throughout the Strategic Report. The Principal Risk and Uncertainties report includes further information on principal risks for the Group, new and emerging risks which were considered, the focus activities in 2019 and for 2020, the Group's statements on risk appetite and long-term viability. We also recognise the global outbreak of COVID-19 and the potential risks this brings to our Group. Further detail is covered in the Strategic Report on page 70 and in the Principal Risks and Uncertainties on page 76. The purpose of the risk management framework is to understand the risks and opportunities which the Group faces to enhance the Company's ability to improve its decision-making process, deliver on its objectives and subsequently improve our performance as it aspires to be London's premium listed gold company.

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 Audit and Risk Committee provides oversight in developing the risk management and internal control environment, making suggestions on ways in which the business can improve its effectiveness.

Risk reporting provided by management considers the principal risks and wider strategic, corporate, operational (including HSE) and external risks. We consider the reporting 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. Having considered the risks in detail, the principal risks have been identified and are set out on pages 76 to 81.

During the course of 2019 the following reports were prepared for the Audit and Risk Committee's review:

- Preparation of budgets, stress testing operational and financial inputs and variables
- Reporting of actuals versus budget, variance analysis and changes to the mine plan or sequencing
- Monthly and quarterly reporting of operational activity, including enhanced reporting on any significant operational and corporate issues
- Refresh of the risk management framework including the development of detailed risk information from Egypt, West Africa and the central functions
- Control environment and systems review with recommendations for further improvement
- Review of the operational controls and reporting framework
- Non-financial reporting indicators including environmental indicators see further the sustainability section of this report
- Scoping of internal audit work, access to site and key personnel
- External audit work culminating in the annual and half-yearly audit report
- Quarterly risk reporting to include analysis of primary and secondary corporate and operational risks, mitigation, risk owners, strategic planning as part of the risk review and site based leading indicators for health and safety; and
- Compliance and regulatory updates and related policy updates and reviews.

The assessment of the risk management and internal control framework 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.

The Audit and Risk Committee noted that, at an operational level, continued improvements in resourcing of key personnel within the senior management team were beginning to see levels of improvement in the internal control environment through budgeting, forecasting and overall reliability of information for the Group.

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 2018 Code and relevant Canadian requirements.

Recognising the importance of maintaining a sound system of risk and internal control during the COVID-19 pandemic we are ensuring that we monitor any changes carefully, and can introduce any alternative mitigating controls where necessary and practicable to support the operation of an effective control environment. Due to the nature of the business we have a structure in place that separates the lines of defence in different locations with the ability to work remotely and utilise technology. Key individuals to risk management and internal control have ensured that precautions are taken where possible, government guidance followed and any relevant documentation kept as well as shared folders appropriately monitored and encoded.

The Audit and Risk Committee are satisfied that they have undertaken a robust assessment of the principal and emerging risks impacting the Company. The assessment identified strategic and operational risks at a corporate level and principal risks impacting our operations in Egypt and West Africa. Details of the risk assessment can be found in the risk management section on pages 66 to 81.

Targets in 2020

The Audit and Risk Committee considered the action plan for 2020 and the key milestones for the year. The areas of continued focus for 2020 include, but are not limited to, the following:

Strategic:

- Work on developing the life of asset model to include analysis of the parameters, inputs and scenarios;
- Build and develop the finance function in West Africa in anticipation of developing a mine in the region;
- Risk management progress through the enhancement and oversight of governance which includes the appointment of the Head of Risk;
- Review of economic and regulatory regimes where the Group operates or may consider operating; and
- Review of the IT infrastructure to ensure efficient collaboration and oversight between head office and operations.

Finance:

- Continued focus on cost reduction and working capital management through improved inventory and mine management planning systems; and
- Ensuring appropriate cost allocation across all resources and business units and cost recovery from operations.

Control environment:

- Detailed finance review of operational inputs into budget, forecasting, life of mine models and variance analysis;
- Implementing internal audit recommendation on controls over procurement, tendering and supply chain management;
- Undertake a review of the key financial and operational processes to ensure efficiency and alignment with good practice;
- Scope the internal audit capability to ensure aligned with the business and identify areas where further assurance is required; and
- Further developments to ensure reporting processes provide management and the Board with accurate and timely information to make informed decisions.

Employee engagement:

- Refining the mechanism by which employee engagement is undertaken to ensure the voices of employees are heard
- Analysis of information through the grievance mechanism and other employee engagement tools to ensure actions are taken in response to concerns and ideas from the workforce and wider stakeholders; and
- See Sustainability Report for further information.

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 1.37 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 pages 82 and 83.

Conclusion

As a result of its work during the year, the Audit and Risk Committee 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 Audit and Risk Committee will be available at the 2020 AGM along with the CFO to answer any questions in relation to this report.

As 2020 marks my ninth-year anniversary of serving on the Board, in accordance with best practice, I will not be standing for re-election at the next 2020 AGM. I would like to thank shareholders for giving me the opportunity to serve the Company for the last nine years. I will be handing over my duties as chair to Marna Cloete and I am confident that she will take the Committee forward from strength to strength.

Mark Arnesen

Chairman of the Audit and Risk Committee

18 May 2020

REMUNERATION COMMITTEE REPORT

"AS CHAIRMAN OF THE REMUNERATION COMMITTEE, I AM PLEASED TO PRESENT THE 2019 REMUNERATION REPORT."

EDWARD HASLAM
CHAIRMAN OF THE REMUNERATION COMMITTEE

Dear shareholders

Introduction

As Chairman of the Remuneration Committee, I am pleased to present the 2019 Remuneration Report.

This report includes our annual report on remuneration (pages 150 to 163) which describes how our Directors' Remuneration Policy was implemented for the year ended 31 December 2019 and how it is intended that the policy be implemented for the forthcoming year. For convenience, the report also provides (at pages 140 to 163) a summary of the current policy approved by shareholders at the 2019 AGM.

Committee activities during the year

The Committee's main focus at the start of the year was to ensure the smooth passage of our new Directors' Remuneration Policy at the 2019 AGM. The Committee was very pleased with the level of support received from shareholders for the new policy, with over 98% of votes being cast in favour of the relevant resolution. As explained at the time, shareholder approval had previously been sought for the renewal of our policy every year. However, to demonstrate the Committee's long-term commitment to the new policy – and to reflect typical practice – it is intended that the new policy will be applicable for the three years following the 2019 AGM. As such, we are not seeking shareholder approval for any changes to the policy at the 2020 AGM.

The resolution approving last year's Directors' Remuneration Report also passed with a comfortable majority at the 2019 AGM. However, the Committee was disappointed that a minority of shareholders voted against this resolution, due to some investors' concerns regarding the operation of the annual bonus plan in 2018 (e.g. the portion of the bonus that was payable for achieving a target level of performance). The Committee believes that these issues were addressed as part of the policy review process and, consequently, do not feature in the annual bonus plan going forward.

The Committee's other activities during the year included:

- Agreeing the Executive Directors' 2019 remuneration packages;
- Assessing bonus and Performance Share Plan outturns;
- Preparing last year's Remuneration Report;
- Agreeing the fees for Jim Rutherford as Deputy Non-Executive Chair;
- Agreeing the remuneration-related terms of Andrew Pardey's retirement from the Board (as announced on 3rd October). Further details of these arrangements are set out on page 159, where it is noted that Andrew stepped down from the Board on 13 December 2019;

- Relating to Andrew Pardey stepping down from the Board:
  - agreeing that Ross Jerrard should receive (from December 2019) a salary supplement of £107,600 pa pro rata to the period of time that he fulfilled the role of Interim CEO in 2019 (calculated by reference to the difference in Ross and Andrew's base salaries in 2019 and which was taken into account when determining Ross's 2019 bonus outturn); and
  - Considering the remuneration-related aspects of the search for the appointment of a successor to Andrew, which culminated in the announcement of the appointment of Martin Horgan as our new CEO (who joined the Board on 6th April 2020)

Also, during the year, the Committee's membership was refreshed, with Dr Sally Eyre joining the Committee following her appointment to the Board in April 2019. Dr Sally Eyre will be taking on the role of chair of the committee effective following the AGM in 2020.

Incentive outcomes for 2019

Centamin grew as a business in 2019 by seeing an increase in the size of its Board, personnel numbers as well as gaining experience, delivering a near record quarter in Q4 despite a weaker Q3 which was due to slower mining rates from a section of the open pit which impacted headline production performance of 480,528 ounces. Our weaker Q3 impacted many of our key performance metrics but our strong Q4 ensured we delivered full year results having implemented cost control measures within our targeted range. Overall production for the year was however lower than previously experienced in 2016 and 2017 and therefore the longer term performance metrics used for the 2017 Performance Share Plan awards were not met, resulting in nil vesting of these awards in 2020.

The remuneration outcomes for the year reflected this context. Andrew Pardey and Ross Jerrard's maximum annual bonus opportunity was 125% of salary (as explained last year, Josef El-Raghy did not participate in the annual bonus plan).

Reflecting the new policy, 70% of the bonus opportunity was based on financial/objectively measurable targets, namely (i) production (assessed by reference to both volume and safety record via LTIFR), (ii) EBITDA, (iii) sustaining and direct operating costs and (iv) non-sustaining costs and capital projects. The remaining 30% was based on personal/strategic targets which included targets relating to allocation of capital, improvements in the governance and control environment and personal targets for development of self and team.

As explained further on pages 152 and 153, based on performance against the various targets (and reflecting his exemplary performance during a year of Board transition), Ross Jerrard was awarded a bonus totalling 63% of the maximum bonus opportunity of 125% which equates to £333,674 and represents 79% of base salary. Reflecting our new policy, which requires that the net amount of any bonus above 75% of base salary is used to acquire shares which must be held for two years, Ross Jerrard will apply the sum of £15,889 (less tax and social security) in the acquisition of shares.

Andrew Pardey's total bonus based on a formulaic assessment of performance against the targets was 50% of his maximum bonus opportunity (i.e. £326,359, or 62.5% of salary). However, following the announcement of Andrew's retirement, the Committee exercised its discretion to reduce Andrew's bonus to £195,816 (representing 37.5% of his salary).

As noted above, the performance share plan ("PSP") awards granted to Andrew Pardey and Ross Jerrard in June 2017 are not capable of vesting in June 2020. Of the blend of total shareholder return ("TSR"), reserve replacement, EBITDA and production targets measured up to the end of the 2019 financial year, none of the performance conditions met the minimum threshold required. Full details of the vesting criteria and the vesting outcome are set out on page 154. Josef El-Raghy does not hold any PSP awards.

No discretions (other than those described in this report) have been exercised by the Committee in respect of any executive remuneration outcome. The Committee is comfortable that our Remuneration Policy operated as intended in 2019.

Approach to remuneration in 2020

The Remuneration Committee intends to adopt the following approach to the executive directors' remuneration in 2020, in compliance with the existing policy:

Base salary

Andrew Pardey will not receive a salary increase in 2020 and is currently serving out his notice period in line with his employment contract. He will also not be receiving any bonus for 2020.

Ross Jerrard will receive a 3% increase to his base salary in 2020 in line with the increase in cost of living. In addition, to reflect his appointment as Interim CEO (announced in December), Ross continued to receive a salary supplement of £107,600 pa pro rata to the period of time that he fulfilled this role (as explained earlier, calculated by reference to the difference in Ross and Andrew's base salaries in 2019). This salary supplement will be taken into account when determining Ross's 2020 bonus outturn but not his PSP awards.

Martin Horgan's base salary on appointment is £485,000. The Committee notes that this base salary is lower than Andrew's and will, at the appropriate time, consider whether it is necessary to take advantage of the flexibility provided in our policy to make above inflationary salary increases in the event a director is appointed on a below market salary.

Pension

No changes will be made to the approach adopted in the past i.e. none of Andrew Pardey, Ross Jerrard or Martin Horgan will receive a contribution towards or allowance for a pension.

Annual bonus

Annual bonus opportunity for Ross Jerrard will remain unchanged at 125% of salary. Andrew Pardey will not participate in the 2020 bonus. As was the case last year:

- 70% of the bonus opportunity will be based on financial/objectively measurable targets, namely production (assessed by reference to both volume and safety record via LTIFR), EBITDA, sustaining and direct operating costs, non-sustaining costs and capital projects. The remaining 30% will be based on personal/strategic targets; and
- any bonus earned in excess of 75% of salary will be deferred into shares.

Martin Horgan's bonus opportunity will be aligned to Ross's (i.e. 125% of salary maximum, with the same target structure and share deferral provisions).

2020 Performance Share Plan ("PSP")

2020 PSP awards will vest based upon a blend of three year relative TSR, cash flow and production targets. Ross Jerrard will receive a PSP award over shares worth 150% of salary, reflecting the approach adopted last year. Martin Horgan will receive an initial award on joining over shares worth 200% of salary, with the intention that his future awards in 2021 and onwards be at the 150% level. The Committee considers this higher initial award for Martin (which is allowed under our existing policy) is entirely appropriate, noting that (i) the award will provide an immediate alignment of his interests with those of shareholders (ii) challenging performance targets will be applied to the award which will be subject to a two year post-vesting holding period, (iii) the Committee has taken a considered approach to the other elements of Martin's remuneration (e.g. a base salary below that of his predecessor) and (iv) no additional buy-out awards have been necessary to secure Martin's recruitment.

Andrew Pardey will not receive an award.

Non-Executive Directors

No changes to the fees of the Non-Executive Directors will be made for 2020, save to reflect recent changes in responsibilities and/or committee chair or membership. Following the appointment of Jim Rutherford as Chair of the Board effective from the 2020 AGM, the Remuneration Committee set a total annual fee of GB£250,000 which is consistent with the fee paid to the outgoing chair. An additional fee of GB£10,000 will be payable for the role of Senior Independent Director in addition to the basic fee of GB£65,000. Membership of a committee carries a fee of GB£5,000 and chairing a committee is GB£10,000 per annum.

Summary

I hope that you find the report clear and informative and are supportive of the approach we are adopting in connection with Board remuneration. I am always happy to hear from the Company's shareholders and you can contact me via the Company Secretary if you have any questions on this report or more generally in relation to the Company's remuneration.

2020 marks the last Remuneration Report that I will be presenting to shareholders as I will be retiring from my position on the Board at the 2020 AGM. I take this opportunity to thank all shareholders, the executive and fellow board members as well as our loyal and trusted Centamin employees for all their support during my nine year tenure with Centamin. I also take great pleasure in welcoming Dr Sally Eyre who will chair the Committee following my retirement. The members of the Committee following the 2020 AGM will be Jim Rutherford and Marna Cloete.

Edward Haslam
Chairman of the Remuneration Committee
18 May 2020

Executive Director remuneration at a glance

Key Component	How Implemented in 2019	Intended Implementation for 2020
Base salary	Previous CEO – £522,175 CFO – £414,575	New CEO – £485,000 CFO – £427,012. In addition, Ross will continue to receive a salary supplement of £107,600 pa pro rata to the period of time that he fulfils the role as Interim CEO.
Pension	Previous CEO/CFO – 0%	New CEO/CFO – 0%
Benefits	Previous CEO/CFO – between 5% and 15% of base salary	New CEO/CFO – between 5% and 15% of base salary
Annual bonus	Previous CEO/CFO – 125% of salary maximum **Targets:** • 70% – financial/quantitative e.g. Production, EBITDA, sustaining and direct operating costs, non-sustaining costs and capital projects • 30% – personal/strategic The net of tax amount of any bonus over 75% of salary is to be used to purchase shares subject to a two year holding period	New CEO/CFO – 125% of salary maximum **Targets:** • 70% – financial/quantitative e.g. Production, EBITDA, sustaining and direct operating costs, non-sustaining costs and capital projects • 30% – personal/strategic The net of tax amount of any bonus over 75% of salary is to be used to purchase shares subject to a two year holding period
PSP	Previous CEO/CFO – 150% of salary **Targets:** • 50% – relative TSR vs industry peer group • 25% – free cash flow generation • 25% – production	New CEO/CFO – 150% of salary **Targets:** • 50% – relative TSR vs industry peer group • 25% – free cash flow generation • 25% – production
Shareholding requirements	200% of salary	200% of salary

As set out in the business model, Centamin creates value through the process of gold exploration through to production by maximising production at the lowest possible cost. The gold and 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. Performance metrics used in the annual bonus and PSP reflect the achievement of the Company in meeting its strategic objectives through the actions and influences of the Executive Directors:

Key Measure	Linkage to Incentive Plans
Asset quality and financial flexibility	
Gold production	Production targets employed in both the annual bonus and PSP.
Cost control	EBITDA used in the annual bonus. Cost control is a driver of long-term returns to shareholders, measured via relative TSR in the PSP.
Stable finances	Personal KPIs for formalising and implementing sound policy decisions reflected in the annual bonus.
Stakeholder returns	
Consistent dividend policy	Delivering shareholder returns in line with the dividend policy will drive TSR which is measured in the PSP.
Shareholder return relative to peers	50% of PSP based on relative performance against peers.
Active growth pipeline	
Optimising production	Identifying high grade from the existing resource and optimising throughput rates, with production targets used in the bonus and PSP.
Self-funded growth and exploration	Reserve replacement, exploration development and growth targets are employed in the strategic element of individual KPIs within the annual bonus.
Exploration in West Africa	PSP provides a long-term incentive to identify and deliver on projects outside of Egypt.
Sustainability	
Safety record and human resources	LTIFR used in production element of bonus structure. Zero level 5 or 4 environmental incidents rewarded through personal KPIs. Ongoing workforce engagement, implementation of Group policies and imbedding the workplace culture are assessed through personal KPIs.
Government relations and community initiatives	Maintaining key relationships and delivery of initiatives linked directly to individual bonus KPIs.

Remuneration Policy

Shareholder approval for the Directors' Remuneration Policy was obtained at the AGM held on 8th April 2019. This policy will continue to apply for the forthcoming year. The main features of the policy are set out below (the full policy can be found on pages 122 to 128 of the 2018 Annual Report found at https://www.centamin.com/investors/reports/2019):

Remuneration Policy for Executive Directors

Element of pay and linkage to strategy	Operation	Opportunity	Performance conditions
Base pay			
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. When determining an appropriate level of salary, the Remuneration Committee considers: • remuneration practices within the Company; • the performance of the individual Executive Director; • the individual Executive Director's experience and responsibilities; • the general performance of the Company; • salaries within the ranges paid by the companies in the comparator group(s) used for remuneration benchmarking; and • the economic environment.	Base salaries will be set at an appropriate level. 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, when the pay level becomes out of line with the market data or to reflect the fact that a director has been appointed on a below market salary with the intention being that this salary will be increased if considered appropriate.	N/A
Benefits			
Benefits may be provided where necessary to ensure competitive remuneration packages are consistent with the market.	The "normal" benefits that may be provided include items such as car or car allowance, life assurance, private medical provision, subscriptions and phones. Where necessary (e.g. due to the location of operations of the business) it may be necessary to provide "additional" benefits such as (but not limited to) private security, accommodation and reasonable travel costs or enhanced provision of other benefits.	It is not intended that (i) normal benefits will exceed 5% of base pay and (ii) additional benefits will exceed 10% of base pay (to include tax paid on the benefits). Therefore, it is not intended that normal benefits and additional benefits will exceed 15% of base pay (to include tax paid on the benefits).	N/A
Pension			
Positioned to ensure competitive packages and provision of appropriate income for executives in retirement.	The Remuneration Committee maintains the ability to provide pension funding in the form of a salary supplement or formal pension allowance, which does not form part of the salary for the purposes of determining the extent of participation in the Company's incentive arrangements.	It is intended that, if pension provision is offered to any Executive Director, the value of such pension in percentage of salary terms will be in line with the pension contributions provided to the majority of the relevant workforce.	N/A

Element of pay and linkage to strategy	Operation	Opportunity	Performance conditions
Annual bonus			
To provide a driver and reward for the delivery of short term performance goals, normally over the course of the financial year.	The Remuneration Committee will determine the bonus payable after the year end based on performance against targets. Annual bonuses up to 75% of salary are paid in cash after the end of the financial year to which they relate. The net amount of any bonus earned in excess of 75% of salary must be applied in the acquisition of shares that must in normal circumstances be retained for two years. Dividend equivalents can be paid on shares acquired for this purpose. The bonus plan is subject to malus/claw back provisions described in the notes to this table.	125% of salary	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 personal/strategic objectives. No less than 70% of the bonus opportunity will be linked to the achievement of financial/objectively measurable targets. No more than 25% of the maximum opportunity is payable for delivering a threshold level of performance (where such an approach can be applied given the nature of the metric/target used). Up to 62.5% of the maximum opportunity is payable for delivering a target level of performance (again, where such an approach can be applied). The Remuneration Committee may adjust the formula-based bonus outturn if this does not reflect underlying performance and/or shareholders' experience.
Long-term incentives			
To align the long-term interests of the executives with those of shareholders.	PSP was approved by shareholders at the AGM in 2015 and amendments to the policy approved at the AGM in 2019. Executive Directors and other selected employees may participate in the PSP on the recommendation of the Remuneration Committee. Awards to Executive Directors shall in normal circumstances be satisfied in shares and will vest no earlier than three years following grant subject to continued employment and the satisfaction of performance conditions. Awards granted from 2019 onwards which vest at the end of the three year performance period will be subject to an additional two year holding period. During this period the shares cannot be sold (other than as required for tax purposes). A dividend equivalent provision exists which allows the Remuneration Committee to pay an amount (in shares or cash) equivalent to the dividends paid or payable on vested shares between the date of grant and the vesting of an award. Awards are subject to malus/claw back provisions described in the notes to this table.	The aggregate market value (as at the respective award dates) of shares in respect of which awards are made to an eligible employee in any year shall not in normal circumstances be greater than 150% of the amount of such eligible employee's salary at the award date, save in circumstances which are considered by the Remuneration Committee to be exceptional, where an absolute limit of 250% of salary may be applied.	PSP awards vest subject to the achievement of challenging performance conditions set by the Remuneration Committee prior to each grant. These conditions may include a blend of financial, operational and/or shareholder return-related metrics. The Remuneration Committee may adjust the formula-based vesting outturn if this does not reflect underlying performance and/or shareholders' experience.
Share ownership requirement			
To encourage ownership of shares, thereby creating alignment of interest between shareholders and the executives.	Executive Directors are required to build a holding of shares in the Company equivalent to 200% of base salary.	200% of salary. The Remuneration Committee will, during the course of the year, consider its approach to post cessation shareholding requirements for directors.	N/A

Remuneration Policy continued

Remuneration Policy for Non-Executive Directors

Element of pay and linkage to strategy	Operation	Performance conditions
Non-Executive Director fees		
To attract and retain high calibre Non-Executive Directors by the provision of competitive fees.	The independent Non-Executive Chair's fee has been determined by the Remuneration Committee and shall be a total annual fee of GBP£250,000 effective from the 2020 AGM when Jim Rutherford takes on the role as Board Chair. The Senior independent Non-Executive Director's fee has been determined by the Remuneration Committee and shall carry an additional GB£10,000 per annum in addition to the basic Non-Executive Director fee of GB£65,000. The Non-Executive Directors' fees are determined by the Board. The level of fees takes into account the time commitment, responsibilities, market levels and the skills and experience required. Non-Executive Directors normally receive a basic fee and an additional fee for specific Board responsibilities, including membership and chairmanship of the Remuneration Committees (or if materially more time is required to be spent in the course of their duties than envisaged). The Chairman and Non-Executive Directors are entitled to receive certain benefits in addition to fees. Expenses incurred in the performance of non-executive duties for the Company may be reimbursed or paid for directly by the Company, as appropriate, including any tax due on the expenses. Non-Executive Directors do not participate in any incentive arrangements.	N/A

Determination and application of the policy

When determining our Executive Director remuneration policies and practices, the Committee takes account of a number of factors:

Factor	How this is taken into account
Clarity	We aim to ensure that our remuneration policies and practices are clearly articulated, transparently disclosed and well understood by both our management team and our shareholders
Simplicity	Overly complex remuneration structures which can be misunderstood and deliver unintended outcomes are avoided. One of the core objectives of the Committee is to ensure that our executive remuneration policies and practices are as simple to communicate and operate as possible, while also supporting our strategy.
Risk	Inappropriate risk-taking is neither encouraged nor rewarded in our policy and practices. A balanced use of both short and long-term incentive plans is operated which employ a blend of financial, non-financial and shareholder return targets. Also, equity plays a significant role in our incentive plans, which work in tandem with shareholding guidelines). Robust malus/clawback provisions also operate to provide the Committee with the ability to take action in certain circumstances
Predictability	Reflecting typical practice, our incentive plans are subject to individual caps, with our share plans also subject to market standard dilution limits. How the rewards potentially receivable by our Executive Directors under the incentive plans vary based on performance delivered and share price growth
Proportionality	A clear link between individual awards, delivery of strategy and our long-term performance can be seen and is demonstrated in the table on pages 34 and 35. In addition, incentive/"at-risk" pay comprises a significant portion of Executive Directors' packages. In addition, the structure of the Executive Directors' service contracts ensures "rewards for failure" are avoided.
Alignment to culture	We have sustainability at the heart of our culture: • Workforce: Ensure robust safety standards that protect the workforce every day • Environment: Responsibly manage and minimise the environmental impact of Centamin's activities • Community: Improve socio economic development in countries of operation, and improve the standard of living and wellbeing for host communities Our executive pay policies are designed and operated with these core values in mind. For example, a significant portion of the annual bonus targets are either directly or indirectly linked to sustainability. Also, the Committee has the flexibility to adjust the bonus/PSP outturn based on a formulaic assessment of performance against the targets if it believes that performance has been delivered in a manner that does not reflect the Company's focus on sustainability.

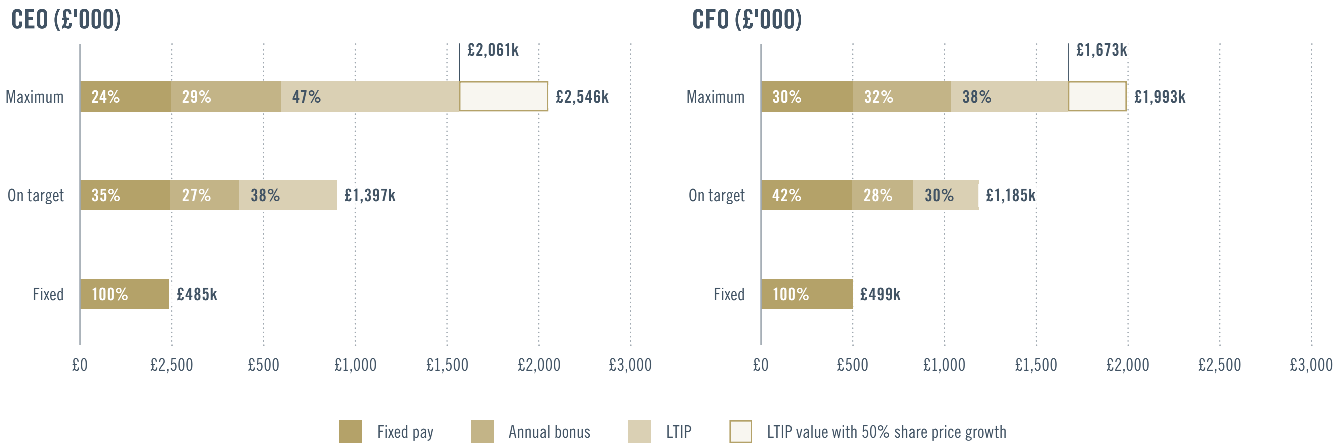
The Committee's overriding objective is to ensure that the Remuneration Policy and practices are aligned to Centamin's culture and values and encourage the successful delivery of the Company's long-term strategy.

Malus/clawback

Bonuses and/or PSP awards may be subject to malus/claw back for up to three years after payout/vesting in the following circumstances: i) termination for cause/gross misconduct; ii) material misstatement of accounts; iii) error in calculation of the extent of payout/vesting; iv) an event that materially adversely affects the Company's reputation (which may include a material health and safety event) and; v) "corporate failure".

Illustration of application of Remuneration Policy

The following charts illustrate the remuneration opportunity provided to Martin Horgan as our new CEO and Ross Jerrard as CFO.



Three scenarios have been illustrated based on the following assumptions:

1. **Minimum performance:** comprising the minimum remuneration receivable (i.e. fixed pay only, being base salary effective 1 January 2020 (excluding the Interim CEO allowance payable to the CFO) and (for the CFO only) benefits calculated using the 2019 figure as set out in the table on page 150 (no benefits number has been provided for the new CEO as he was not in post during 2019).

2. **On-target performance:** comprising fixed pay, an annual bonus payment of 62.5% of the maximum opportunity and PSP awards vesting at 25% of maximum opportunity.

3. **Maximum performance:** comprising fixed pay, 100% of annual bonus and 100% vesting of PSP awards. The maximum performance scenario also illustrates potential payout under the PSP with a 50% share price growth.

The illustrations do not take into account dividends.

The wider employee context

Our Remuneration Policy for Executive Directors takes due account of our approach to pay 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-based 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 underlying operational performance and cost control measures at the mine. Further details on employee relations can be found in the Sustainability Report, which is published separately.

Together with the employee engagement explained below, consideration is also given to the base salary increase, relative performance of the Company and working conditions of the wider workforce. The main differences in determining executive and senior employee compensation compared to the wider workforce relates to the emphasis on rewarding long-term performance, as well as performance at an operational, strategic and corporate level. Consideration is also given to the level of responsibility of executives and senior employees. In addition, in light of the 2018 Code recommending that engagement with the workforce takes place to explain how executive remuneration aligns with wider Company pay policy, discussions are undertaken through the Voice of Sukari forum, with formal communication to senior members of the management team and heads of department and more informal discussion groups to engage on workforce benefits and remuneration.

Consideration of shareholder views

Feedback from shareholders and proxy advisers and (where considered appropriate) meetings held with the same are considered as part of the Company's annual Remuneration Policy review. Major shareholders are contacted should there be any proposed material changes to our Remuneration Policy or practices, as was the case in connection with the recent policy review.

Service contracts

Executive Directors have rolling service contracts which are terminable on no more than twelve months' notice on either side. Executive Directors are entitled to be paid salary and pension (if any) in respect of the relevant notice period. In the case of notice given in connection with and shortly following a change of control, Executive Directors are entitled to payment in lieu of an amount equal to twelve months' basic salary together with bonus under the short term incentive plan. For this purpose, the amount of bonus (if any) shall be determined by the Remuneration Committee of Centamin plc; be pro-rated based on the period up to the date of the Change of Control only; take into account all of the relevant key performance indicators; and be subject to the normal rules on clawback.

The Chairman and Non-Executive Directors have formal letters of appointment which provide for three months' notice for the Chairman and 'reasonable notice' for the other Non-Executive Directors. These letters of appointment also provide for additional payments to be made post-termination in the event that they are required to spend material time assisting the Company, for example in connection with an investigation for which they are entitled to be indemnified by the Company.

There are no other provisions for payment for loss of office. Directors' service contracts are kept available for inspection at the Company's registered office.

Policy if a new Director is appointed

When hiring a new Executive Director, or promoting an individual to the Board, the Remuneration 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 Remuneration 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) may be offered.

That said, the Remuneration Committee's policy is not to provide sign-on compensation. In addition, the Remuneration Committee's policy is not to provide buy-outs as a matter of course. However, should the Remuneration Committee determine that the individual circumstances of recruitment justified the provision of a buy-out, an estimate of the equivalent value of any incentives that will be forfeited on cessation of a Director's previous employment will be calculated taking into account:

- the proportion of the performance period completed on the date of the Director's cessation of employment;
- the performance conditions attached to the vesting of these incentives and the likelihood of them being satisfied;
- the timeframe to receipt of shares; and
- any other terms and conditions having a material effect on their value ("lapsed value").

The Remuneration Committee may then grant up to the equivalent value as the lapsed value, where possible, under the Company's incentive plans and any buy-out would typically aim to mirror the form and structure of what is forfeited on joining the Company. To the extent that it is not possible or practical to provide the buy-out within the terms of the Company's existing incentive plans the Remuneration Committee may, in exceptional circumstances consider it appropriate to grant an award under a different structure to facilitate a buy-out of outstanding awards held by an individual on recruitment. No such buy-out awards were required in connection with Martin Horgan's appointment.

Where an existing employee is promoted to the Board, the policy set out above would apply from the date of promotion but there would be no retrospective application of the policy in relation to subsisting incentive awards or remuneration arrangements. Accordingly, prevailing elements of the remuneration package for an existing employee would be honoured and form part of the ongoing remuneration of the person concerned. These would be disclosed to shareholders in the annual report on remuneration for the relevant financial year.

The Company's policy when setting fees for the appointment of new Non-Executive Directors is to apply the policy which applies to current Non-Executive Directors.

Policy on payment for loss of office

Directors' contractual terms and conditions, including notice periods, are reviewed by the Remuneration and Nomination Committees.

The Company's approach to payment on loss of office will take account of the circumstances of the termination of employment. In the normal course, 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 (subject to the garden leave provisions which may be applied in certain circumstances).

Subject to the employee's compliance with the Company's sickness absence procedures (as amended from time to time), the employee shall continue to receive his full salary and contractual benefits during any period of absence due to incapacity for up to an aggregate of ten days in any 52 week period. Such payment shall be inclusive of any statutory sick pay due in accordance with applicable legislation in force at the time of absence.

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 normally 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 (where appropriate) 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 normally be restricted to the Director's actual period of service only (i.e. be the subject of a possible reduction).

In the case of notice given in connection with and shortly following a change of control, Executive Directors are entitled to payment in lieu of an amount equal to twelve months' basic salary together with bonus under the short term incentive plan. For this purpose, the amount of bonus (if any) shall be determined by the Remuneration Committee of Centamin plc; be pro-rated based on the period up to the date of the Change of Control only; take into account all of the relevant key performance indicators; and be subject to the normal rules on clawback.

The Remuneration Committee reserves the right to make additional payments where such payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation); or by way of settlement or compromise of any claim arising in connection with the termination of an Executive Director's office or employment; or in relation to the provision of outplacement or similar services.

With regard to annual bonus, the Remuneration Committee's approach will be influenced by the circumstances of the cessation. A departing executive may be entitled to a bonus and, if so, such bonus will normally be pro rated for the period of employment and be payable at the end of the relevant year based on performance against the relevant targets. Bonuses may be paid in respect of the year in which a change of control occurs, if the Remuneration Committee considers this appropriate, with the Remuneration Committee determining the level of bonus taking into account any factors it considers appropriate.

In relation to the PSP, in normal circumstances awards lapse on cessation of employment. However, in certain "good leaver" circumstances awards will normally vest at the expiry of the performance period subject to performance against the targets and a pro rata reduction (unless the Remuneration Committee determines otherwise). In the event of a change in control, awards will normally vest at that point subject to performance against the targets and a pro rata reduction (unless the Remuneration Committee determines otherwise).

Policy on external Board appointments

The Company will consider requests for Executive Directors to have non-executive external appointments, on the basis 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.

ANNUAL REMUNERATION REPORT

Single figure table in US$ (audited)

	Salary		Benefits		Bonus		LTIs		Pension		Total	
Executives	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Josef El-Raghy	0	745,444	0	Nil	0	Nil	0	–	0	149,088	0	894,532
Andrew Pardey	670,201	691,691	91,898	94,907	258,631	Nil	0	342,579	0	Nil	1,020,730	1,129,177
Ross Jerrard	544,169	542,363	78,966	57,662	440,711	283,871	0	434,430	0	Nil	1,063,847	1,318,326
Total	1,214,370	1,979,498	170,864	152,569	699,342	283,871	0	777,009	0	149,088	2,084,576	3,342,035

	Fees		Benefits		Bonus		LTIs		Pension		Total	
Non-executives	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
Josef El- Raghy	320,870	0	0	–	0	–	0	–	0	–	320,870	0
Edward Haslam	160,442	170,335	0	–	0	–	0	–	0	–	160,442	170,335
Mark Bankes	115,518	122,641	0	–	0	–	0	–	0	–	115,518	122,641
Mark Arnesen	115,518	122,641	0	–	0	–	0	–	0	–	115,518	122,641
Alison Baker	96,410	97,126	0	–	0	–	0	–	0	–	96,410	97,126
Dr Ibrahim Fawzy	89,847	31,737	0	–	0	–	0	–	0	–	89,847	31,737
Catharine Farrow	28,284	–	0	–	0	–	0	–	0	–	28,284	–
Marna Cloete	30,459	–	0	–	0	–	0	–	0	–	30,459	–
Sally Eyre	64,071	–	0	–	0	–	0	–	0	–	64,071	–
Trevor Shultz	0	29,603	0	–	0	–	0	–	0	–	0	29,603
Total	1,021,419	574,083	0	–	0	–	0	–	0	–	1,021,419	574,083

Notes to table:

- The following Board changes occurred over the relevant periods:
  – Trevor Schultz retired from the Board in 26th March 2018
  – Sally Eyre joined the Board on 10th April 2019
  – Alison Barker resigned from the Board on 2nd September 2019
  – Catherine Farrow and Marna Cloete joined the Board on 2nd September 2019
  – Andrew Pardey left the Board on 13th December 2019
  – Josef El-Raghy was appointed Non-Executive Director from 1 January 2019 and was previously an executive director.
  – Jim Rutherford joined the Board on 1 January 2020
- All salaries and fees are paid in sterling.
- The performance conditions relating to PSP awards granted in 2017 have not been met as at 31 December 2019. The vesting figure for the 2016 PSP award has been restated based on the actual share price on the date of vesting of £0.967. Details of the grants made under the terms of the PSP can be found in page 155.
- Benefits are within the limits of the policy and relate primarily to travel related costs to and from the individual's original place of domicile.
- The US$ figure in the table reflects the average exchange rate during the year, which may differ from the amount actually paid as payments to Non-Executive Directors are made quarterly and reflect the exchange rate at the date of the transaction.
- The executive bonus paid in GB£ is based on the year-end exchange rate of $1.32/£1(2018:$1.28/£1).

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 Remuneration Committee reviews and recommends, for Board approval, remuneration levels and policies for Directors within this overall Directors' fee pool. The fees which are paid are also periodically reviewed. The current annual fee rate for Non-Executive Directors is as follows:

	Fee structure in 2020	As at 31 December 2019	As at 31 December 2018
Annual base fee	GB£65,000	GB£65,000 (US$85,850)	GB£65,000 (US$83,350)
Chairman of a Board committee	GB£10,000	GB£10,000 (US$13,206)	GB£10,000 (US$12,823)
Member of a Board committee	GB£5,000	GB£5,000 (US$6,603)	GB£5,000 (US$6,411)
Deputy Chairman and Senior Independent Director	N/A	GB£125,000 (US$165,098)	GB£125,000 (US$160,288)
Senior Independent Director	GB£10,000	N/A	N/A

Notes to table:

- During 2019 and 2020 while Edward Haslam undertook an enhanced role as Deputy Chairman and senior Non-Executive Director. These duties are set out in the Governance Report and are reflected in this fee. This fee will no longer apply in 2020 with a separate additional fee of £10,000 per annum for the Independent Director who undertakes the role of Senior Independent Director.
- It is not intended to fill the role of Deputy Chair post the AGM.
- The Company reviewed the Non-Executive Director fees during 2019 and no increases were proposed.
- The Non-Executive Directors do not participate in any of the Company's share plans or incentive plans.
- The US$ figure in the table reflects the average exchange rate during the year, (which may differ from the amount shown in the single figure table as payments to Non-Executive Directors are made quarterly and reflect the exchange rate at the date of the transaction).

2019 annual bonus (audited)

The 2019 bonus plan for the Executive Directors in post during that year (i.e. not Martin Horgan) was structured as follows:

- 70% of the bonus opportunity was based on financial/objectively measurable targets, namely production (assessed by reference to both volume and safety record via LTIFR), adjusted EBITDA, sustaining and direct operating costs, non-sustaining costs and capital projects; and
- 30% was based on personal/strategic targets.

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 used these other measurable and personal targets to assess performance such as controls over costs, production rates, targeted drilling through exploration as well as encouraging a safety culture and sustainable operations.

Andrew Pardey and Ross Jerrard's 2019 bonus was split between 70% financial/objectively measurable targets and 30% personal/strategic targets. The following analysis summarise performance against the financial/objectively measurable targets (audited) resulting in an outcome of 34% out of a possible 70% bonus outturn as a percentage of maximum bonus opportunity:

Gold Production, LTIFR and Adjusted EBITDA (30% of bonus opportunity)

Category	Performance Measure	% of bonus opportunity	Threshold	Target	Maximum	Actual	Outturn as % of maximum bonus opportunity	Outturn as % of salary
Gold Production	'000 ounces	10%	482	508	533	480	0%	0%
LTIFR (global)	Range	10%	0.19		0.01	0.29	0%	0%
Adjusted EBITDA	US$m	10%	209	232	256	280	10%	12.5%

Notes to table:

- Threshold achievement represents 25% of the bonus opportunity for the respective performance measure.
- Maximum achievement represents 100% of the bonus opportunity for the respective performance measure.
- Production is based on ounces produced.
- LTIFR is based on 200,000 working hours calculated for the Group.
- Due to a change in accounting policy (see note 1.2.1 in the financial statements), target EBITDA has been adjusted to deduct E&E expenditure which is now expensed, rather than capitalised, so the measure is on an equivalent basis to the actual

Sustaining and direct operating costs/ Non-sustaining costs and capital projects (40% of bonus opportunity)

When assessing performance against the sustaining and direct operating costs and non-sustaining and capital projects targets, the Committee takes account of the extent to which planned expenditure was actually made and the rationale therefor.

Under the sustaining and direct operating costs element, the Committee determined that 13% of the maximum 20% of bonus opportunity was payable (equating to 16.25% of salary), using the following performance as the basis for this calculation:

Category	Threshold	Target	Maximum	Actual	Performance
Cash cost of production ($,000/ounce)	729	694	660	699	Between threshold and target
Rebuilds ($,000)	30,678	29,217	27,756	26,633	Above max
Open pit mining (($,000)	136,199	123,817	111,435	122,344	Between target and max
Open Pit Cost per tonne mined ($/t)	2	1.52	1	1.56	Between threshold and target
Underground mining ($,000)	34,211	31,101	27,991	28,484	Between target and max
Underground cost per tonne mined ($/t)	41	38.59	37	46.31	Below threshold
Processing ($,000)	214,729	195,208	175,687	176,051	Between target and max
Cost per tonne milled ($/t)	15	14.69	14	13.69	Above max

Under the non-sustaining costs and capital projects element, the Committee determined that 11% of the maximum 20% of bonus opportunity was payable (equating to 13.75% of salary), using the following performance as the basis for this calculation:

Category	Threshold	Target	Maximum	Actual	Performance
AISC per ounce sold ($,000/ounce)	953	930	883	943	Between threshold and target
Corporate costs per ounce produced ($,000/ounce)	28	27	26	24	Above max
Capital projects – Sukari ($,000)	16,192	14,720	13,248	16,478	Below threshold
Capital projects – West Africa ($,000)	18,343	16,675	15,008	16,884	Between threshold and target

Personal/strategic targets (30% of bonus opportunity)

Andrew Pardey and Ross Jerrard's personal/strategic bonus was tested based on their performance in the following areas:

Andrew Pardey	Ross Jerrard
• Strategy setting and business development	• Strategy/budget/planning/capital projects
• Growth in reserves	• Risk assessment
• Workforce engagement	• Internal/external audit
• Legal/financial/regulatory controls	• Financial/operating controls/systems
• Investor/government relations	• Finance/treasury
• ESG	• Personnel/training/development
• Safety culture	• Investor/government relations

In reviewing performance against Andrew Pardey's personal/strategic targets, the Remuneration Committee considered the key milestones achieved during the year which he was instrumental in delivering. These included the following:

Andrew Pardey

Achieved (Audited)

Topic	Target	Relative weighting out of 10	Achieved
Solar	Prepare the required studies sufficient for board approval to consider the options for the solar plant at Sukari	8	1.7
Sukari exploration	Complete regional exploration on the concession to include analysis of seismic results and UG development	7	1.6
TSF 1	Implementation of the TSF recommendations	8	2.8
Cote d'Ivoire	Progress pre-feasibility study to be presented to the board for approval	10	0.9
Business Development	Preparation of strategic plans for board review to include growth opportunities	5	1.3
Personnel management/training	Drive training programmes to ensure understanding of new and improved corporate policies including HR and grievance mechanism across the business	5	1.2
Government relations	Engagement with government officials across all the sites operations	6	1.6
ESG and Sustainability reporting	Progress against 2019 targets set out in the Sustainability Report	6	1.2
Board succession and diversity	Succession planning, NED rotation and appointments to ensure diversity	8	1.2
Reporting	Evidence of communicating the strategy to the workforce	7	2.5
			16.0

Total provisional outturn: 16% out of a possible 30% of the max bonus opportunity.

Andrew Pardey's total bonus based on a formulaic assessment of performance against the targets was 50% of his maximum bonus opportunity (i.e. £326,359, or 62.5% of salary). However, following the announcement of Andrew's retirement, the Committee exercised its discretion to reduce Andrew's bonus to £195,816 (representing 37.5% of his salary).

In reviewing performance against Ross Jerrard's strategic, corporate and individual targets, the Remuneration Committee considered the key milestones achieved during the year which he was instrumental in delivering. These included the following:

Ross Jerrard

Achieved (Audited)

Topic	Target	Relative weighting out of 10	Achieved
Defence strategy in the event of a corporate action	Managing the defence strategy and application of the strategy during the Endeavor approach	10	4
Life of mine	Preparation of the life of asset planning and financial and strategic contribution	4	2.5
Solar	Financial assessment and support to the management and board proposals	8	3
TSF2	Review of proposals with financial and stakeholder analysis	10	3
M&A	Economic assessment of growth projects and any emerging opportunities and threats	8	4
Control Framework & Risk assessment/ESG/ Regulatory framework	Oversight of data within the operational environment. Managing refreshed risk workshop and embed our values at an operational and corporate level.	7	3
Governance & Regulatory	Assessment of the management of the Environmental, Social, Governance and regulatory framework.	6	5.5
Training	Drive training programmes to ensure understanding of corporate policies including ABC and MSA across the business	8	1.5
Supply chain	Follow the MSA risk assessment process and identity opportunities to improve operating practices across the supply chain.	7	2.5
			29.0

Total provisional outturn: 29% out of a possible 30% of the max bonus opportunity.

Based on this performance, and reflecting Ross Jerrard's exemplary performance during a year of Board transition, the Committee determined that Ross Jerrard should receive a bonus of 63% of the maximum bonus opportunity of 125% which equates to £333,674, and represents 79% of base salary.

Long-term incentives – shares award table (audited)

Vesting of June 2017 PSP award

The performance conditions for the grants made in June 2017 covered the period from 31 December 2016 to 31 December 2019. Performance against the targets is set out below, which shows zero vesting of this award:

Performance Conditions	Range	% Achieved
20% – relative total shareholder return	31 December 2016 to 31 December 2019: TSR element of the 2017 award lapses in full (ranked below the lower quartile out of a 15-strong comparator group)[1]	0%
30% – mineral reserve replacement	100% reserve replacement (level of performance for 100% payout) 75% reserve replacement (level of performance for 25% payout) Global Sukari reserve replacement was not achieved	0%
20% – compound growth rate in EBITDA	3% CAGR on levels in 2016 (level of performance for 100% payout) Maintain levels of EBITDA (level of performance for 25% payout) 31 December 2016: EBITDA US$332 million[2] 31 December 2019: EBITDA US$280 million CAGR in EBITDA was not achieved	0%
30% – compound growth in gold production	3% CAGR on levels in 2016 (level of performance for 100% payout) Maintain levels of production (level of performance for 25% payout) 31 December 2016: gold production of 551k ounces 31 December 2019: gold production of 480k ounces CAGR of gold production was not achieved	0%

(1) TSR against the comparator group was independently verified by Korn Ferry. 25% of award vests at median, full vesting at upper quartile

(2) Due to a change in accounting policy see note 1.2.1 in the financial statements, published EBITDA in the 2016 financial statements has been adjusted to deduct E&E expenditure which is now expensed, rather than capitalised, so the measure is on an equivalent basis.

Consequently, awards granted to Andrew Pardey and Ross Jerrard in 2017 will lapse as a result of not achieving the performance conditions.

PSP award table (conditional awards) – Andrew Pardey

Award date and basis (1,2)	Face value of award at grant date(3) US$	Fair value of award at grant date(4) in US$	End of performance period	Shares granted	Total Outcome Of vest	Total lapsed in 2019	Awards held on 31 December 2019
PSP 4 June 2017 (150% of salary)	952,668	824,560	31 Dec 2019	440,000	nil	440,000	0
PSP 27 June 2018 (150% of salary)	1,021,363	696,320	31 Dec 2020	640,000	–	–	640,000
PSP 14 June 2019 (150% of salary)	990,411	778,942	31 Dec 2021	777,000	–	–	777,000

(1) There is nil cost for conditional awards which are subject to performance conditions.

(2) Following the retirement of Andrew Pardey in October 2019, Andrew will be treated as a "good leaver" pursuant to the rules of the PSP. Therefore, his awards will be tested against the original performance conditions and at their normal vesting date, with a pro rata reduction for the time of employment.

(3) The face value of the 2019 awards has been determined using the five day average share price up to the grant date (£1.007) and using an FX rate of $1.2658:£1

(4) The values of the awards are based on IFRS 2 valuation methodology set out in note 6.3 of the Financial Statements.

PSP award table (conditional awards) – Ross Jerrard

Award date and basis (1,2)	Face value of award at grant date(3) US$	Fair value of award at grant date(4) in US$	End of performance period	Shares granted	Outcome Of Vest	Total lapsed in 2019	Awards held on 31 December 2019
PSP 4 June 2017 (200% of salary)	909,365	787,080	31 Dec 2019	420,000	Nil	420,000	–
PSP 27 June 2018 (150% of salary)	813,899	554,880	31 Dec 2020	510,000	–	–	510,000
PSP 14 June 2019 (150% of salary)	786,466	618,542	31 Dec 2021	617,000	–	–	617,000

(1) The performance conditions for the grant made in June 2017 have not been met in full as at 31 December 2019 therefore awards will not vest in June 2020.

(2) The performance conditions of the grant made on 14 June 2019 are set out on page 159 of this Remuneration Report.

(3) The face value of the 2019 awards has been determined using the five day average share price up to the grant date (£1.007) and using an FX rate of $1.2658:£1

(4) The values of the awards are based on IFRS 2 valuation methodology set out in note 6.3 of the Financial Statements.

Service contracts

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 service contracts and 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 has a formal letter of appointment and there is no provision for payments for loss of office.

	Martin Horgan	Ross Jerrard
Date of agreement	April 2020.	February 2019.
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	Martin Horgan does not receive a pension or a cash payment in lieu of a pension and this will remain under review.	Ross Jerrard does not receive a pension or a cash payment in lieu of a pension and this will remain under review.
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 Remuneration Committee from time to time.	Eligible to participate in an annual bonus arrangement as determined by the Remuneration Committee from time to time.
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, Martin Horgan will be entitled to payment in lieu of an amount equal to twelve months' 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, Ross Jerrard will be entitled to payment in lieu of an amount equal to twelve months' 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.
Long-term incentives	Eligible to participate in the PSP.	Eligible to participate in the PSP.

Shareholding guidelines (audited)

To encourage ownership of shares and thereby create a link of interest between shareholders and the executives, the Remuneration Policy requires Executive Directors to build a holding of shares in the Company equivalent to 200% of base salary. Vested shares awarded by the Company are included in the calculation.

The following table shows the current shareholding of each of the Directors in post as at 31 December 2019.

Name	As at 31 December 2019	Unvested awards(1)	Balance	Percentage of base salary(3)
Executive Directors(2)				
Andrew Pardey(4)	3,712,268	1,417,000	2,295,268	558%
Ross Jerrard	1,477,000	1,127,000	350,000	105%
Non-Executive Directors(2)				
Josef El-Raghy	10,500,000	0	10,500,000	n/a
Edward Haslam	127,056	0	127,056	n/a
Mark Arnesen	49,000	0	49,000	n/a
Mark Bankes	190,000	0	190,000	n/a
Alison Baker	0	0	0	n/a
Dr Ibrahim Fawzy	0	0	0	n/a
Sally Eyre	0	0	0	n/a
Catharine Farrow	0	0	0	n/a
Marna Cloete	15,000	0	15,000	n/a

(1) Of the Executive Directors' unvested shares, all are subject to performance conditions.

(2) For Ross Jerrard, the Balance of shares includes 350,000 shares which are subject to the two year holding period under the terms of the PSP.

(3) For Andrew Pardey, the Balance of shares includes 464,520 shares which are subject to the two year holding period under the terms of the PSP.

(4) No Non-Executive Directors hold shares, share options or awards that are subject to performance measures.

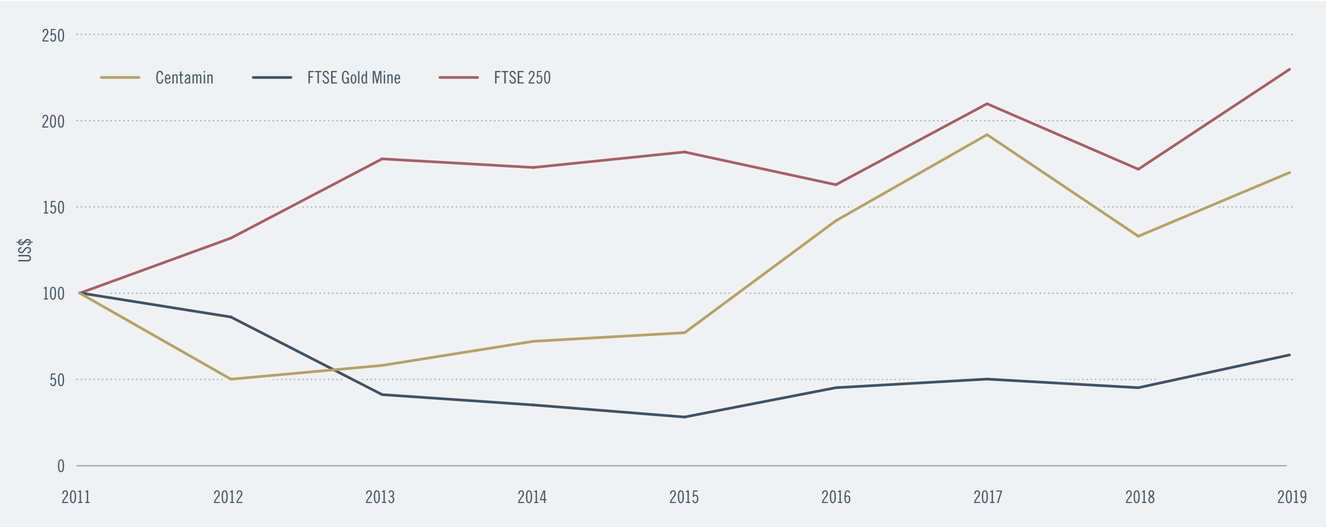
The valuations of the shareholdings are based on the share price at 31 December 2019 of 127p.

As explained above, Andrew will be treated as a "good leaver" pursuant to the rules of the PSP and will remain an employee of Centamin until October 2020. Therefore, his awards will be tested against the targets at their normal vesting date, with a pro rata reduction in award value applying.

The Company does not currently have a policy on post-cessation holding requirements but continues to monitor the market response and shareholder views on this topic and will keep its approach under regular review. The Committee also notes that the PSP rules have a two year deferral period which continues following the departure of an executive. There has been no change to Directors' shareholdings from 31 December 2019 to the date of this report.

Performance graph and CEO remuneration table

The graph below compares the TSR of the Company to the FTSE 250 and the FTSE Gold Mine indices. The graphs show the return for the last eight years. The indices were chosen to allow shareholders to compare the Company's performance against other peers considered relevant for these purposes.



The Remuneration Committee considers that these indices are appropriate comparators of the Company for this purpose. 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 vesting in year as % of maximum
2011 (Chairman/CEO)	US$1,290,742	65%	n/a
2012 (Chairman/CEO)	US$1,920,644	80%	n/a
2013 (Chairman/CEO)	US$2,020,562	75%	n/a
2014 (Chairman/CEO)	US$2,073,192	80%	n/a
2015 (Chairman)	US$1,862,338	70%	n/a

CEO – Andrew Pardey	Single figure remuneration	Annual bonus as % of maximum	Long-term incentives vesting in year as % of maximum
2016	US$1,205,892	77%	0%
2017	US$3,096,791	78%	0%
2018	US$1,144,053	Bonus waived	100%
2019	US$1,020,730	30%	40%

Interim CEO – Ross Jerrard	Single figure remuneration	Annual bonus as % of maximum	Long-term incentives vesting in year as % of maximum
2019	US$57,701	63%	40%

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 and retired on 13 December 2019. Ross Jerrard was appointed Interim CEO on 13 December 2019 and held the post of Interim CEO as at the date of this report.

Percentage change in remuneration (unaudited)

The Company has chosen the comparator group to be all the employees of the Centamin Group (excluding Non-Executive Directors):

	Percentage change in salary between 2018 and 2019	Percentage change in benefits between 2018 and 2019	Percentage change in bonus between 2018 and 2019
Comparator group(1)	20%	17%	8%
Centamin's Chief Executive Officer(2)	-3%	-3%	47%

(1) Based on the average number of employees based in Egypt in 2019: 1,374 (2018: 1,380 employees).

(2) Based on the US$ amount disclosed in the single figure table.

Relative spend on pay

The following table proves an illustration of the relative spend on pay to place the Directors' pay in the context of the wider Group finances:

Between 2018 and 2019	Percentage change	Spend on pay $'million
Comparator group(1)	19%	27.9
Remuneration of Centamin's Executive Directors	-18%	2.08
Remuneration of Centamin's Non-Executive Directors	78%	1.02
Distributions to Centamin shareholders(2)	82%	116

(1) Based on the average number of employees based in Egypt in 2019: 1,374 (2018: 1,380 employees).

(2) The percentage change relates to distributions to shareholders based on the amount paid during 2018 and 2019.

Centamin is not required to report under the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 as only a few members of staff are either UK tax residents or have a UK nexus. The majority of the workforce is based in Egypt. Similarly, Centamin is not required to publish the ratio of the CEO's pay to that of the workforce.

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.

Long-term incentive arrangements

Introduction

Centamin introduced a long-term incentive scheme (the "Performance Share Plan", or "PSP") which was approved by shareholders at the AGM on 18 May 2015 and amended at the AGM on 8 April 2019. The PSP provides a suitable recruitment and retention tool for any new or promoted executives and incentivise Executive Directors and senior management. The PSP takes due account of best practice guidelines and provides a platform, as part of the Remuneration Policy, to be used to provide a long-term reward tool for participants. Following the adoption of the PSP, the Company has granted a number of awards, with those granted from 2016 summarised below:

June 2018

4,908,000 conditional awards to employees of the Group. The awards granted on 27 June 2018 will vest in 27 June 2021 (with 50% of the vested shares deferred for a further two years) and will be subject to satisfaction of the following performance conditions over the three-year financial period ended 31 December 2020:

- TSR: 40% of the award – vs a bespoke Group of listed mining peers (median vesting 25% of award, upper quartile full vesting);
- EBITDA (adjusted for non-cash impairments and non-recurring items): 20% of the award – if a compound annual growth rate of 3.5% of EBITDA is achieved by 2020, all 20% of the award tranche shall vest. If EBITDA in 2020 is maintained at the levels achieved in 2017, 25% of the award tranche shall vest; and
- gold production: 40% of the award – shall be assessed by reference to compound growth in gold production over the three year period to December 2020. If a compound annual growth rate of 3.5% of gold production is achieved by 2020, all 40% of the award tranche shall vest. If gold production in 2020 is maintained at the levels achieved in 2017, 25% of the award tranche shall vest.

In total, 40 employees participate in the PSP, including heads of department and senior personnel based on site, as well as members of the senior management team located at the head office.

June 2019 (Audited)

4,845,000 conditional awards to employees of the Group. The awards granted on 14 June 2019 will vest in 14 June 2022 (with all of the vested shares subject to a two year holding period) and will be subject to satisfaction of the following performance conditions over the three-year financial period ended 31 December 2021:

- TSR: 50% of the award – vs a bespoke Group of listed mining peers (median vesting 25% of award, upper quartile full vesting);
- Free cash flow (generated over the Sukari Concession Agreement in 2021): 25% of the award – if free cash flow of US$110m is achieved in 2021, all 20% of the award tranche shall vest. If free cash flow in 2021 is US$65m, 25% of the award tranche shall vest; and
- Gold production: 25% of the award – shall be assessed by reference to gold production in 2021. If gold production of 590k ounces is achieved in 2021, all 25% of the award tranche shall vest. If gold production in 2021 is 510k ounces, 25% of the award tranche shall vest.

June 2020

The awards are intended to be granted in June 2020 will vest in June 2023 (with all of the vested shares subject to a two year holding period) and will be subject to satisfaction of the following performance conditions over the three-year financial period ended 31 December 2022:

- TSR: 50% of the award – vs a bespoke Group of listed mining peers (median vesting 25% of award, upper quartile full vesting);
- Free cash flow (generated over the Sukari Concession Agreement in 2021): 25% of the award – if free cash flow of US$70m is achieved in 2022, all 20% of the award tranche shall vest. If free cash flow in 2022 is US$45m, 25% of the award tranche shall vest; and
- Gold production: 25% of the award – shall be assessed by reference to gold production in 2022. If gold production of 550k ounces is achieved in 2022, all 25% of the award tranche shall vest. If gold production in 2022 is 500k ounces, 25% of the award tranche shall vest.

Payment to past Directors (audited)

There were no payments to past Directors of the Company.

Payments for loss of office (audited)

There were no payments to Directors for loss of office. Details of the approach that it is currently envisaged will be taken in relation to Andrew Pardey's retirement are as follows:

- Andrew Pardey notified the Board of his intention to retire on 2 October, with his notice period commencing on that date
- Andrew received his base salary and benefits up to the 13 December 2019 when he stepped down from the Board
- At this point Andrew was placed on gardening leave until the expiry of his notice period in October 2020 during which he will continue to receive his salary and benefits
- As noted above, Andrew will receive a bonus for performance in relation to the full year of his employment in 2019. He will not be entitled to receive a bonus for 2020
- Following the retirement of Andrew Pardey in October 2019, Andrew will be treated as a "good leaver" pursuant to the rules of the PSP. Therefore, his awards will be tested against the original performance conditions and at their normal vesting date, with a pro rata reduction for the time of employment. However, Andrew will not be granted a PSP award in 2020

The Committee

The Remuneration Committee is a committee of the Company represented by three independent Non-Executive Directors, namely Edward Haslam (Chairman of the Committee), Mark Arnesen and Dr Sally Eyre. No member of the Committee has any financial interest, other than as shareholder and Non-Executive Director fees for being on the committee, 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 in this report. There is no actual or potential conflict of interest arising from the other directorships held by members of the Committee. 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, attend meetings when their own remuneration is under consideration.

Committee members	Joined	Attendance in 2019
Edward Haslam (Chairman of the Committee)	2011	4 of 4
Mark Arnesen	2011	4 of 4
Mark Bankes	2017	1 of 1
Sally Eyre	2019	3 of 3

Activities of the Committee

The Committee met four times during the year and also approved two sets of resolutions by way of written resolution. The business conducted during the year is set out below:

Date of activity	Summary of activity
January 2019	Finalise executive bonus performance outcomes and Directors' Remuneration Report. Review of governance updates and industry trends as well as investor and stewardship remuneration policies. Finalise 2019 financial and measurable targets and individual KPIs for the executive. Review executive contracts ensuring adequacy of malus and clawback provisions, consistency with Remuneration Policy and updates to align with the market.
March 2019	Review and respond to shareholder, proxy and stewardship feedback ahead of the 2019 AGM.
April 2019	Approval of the Committee's actions to address the significant minority votes against the Remuneration Report and welcome the significant majority of votes in favour of the Remuneration Policy.
June 2019	Review and approval of grants and application of the updated performance share plan.
August 2019	Interim review of performance conditions for executive
December 2019	Conducting performance reviews for the executive and management, taking account of the objectives set at the beginning of the year. • Review of outgoing CEO pay, based on policy; • Incumbent CEO pay / bonus / share plan options; • Review pay structure for deputy chair; and • Consider stakeholder engagement planning.
January/February 2020	Prepare and finalise the Directors' Remuneration and Report Policy in line with the shareholder consultation and committee and Board recommendations. Finalise the 2019 bonus and PSP outcome. Finalise the 2020 bonus criteria, taking account of the individual's objectives, the Company's priorities and workforce targets. Finalise the 2020 PSP performance conditions. Agree the remuneration arrangements for Martin Horgan.

Advice provided to the Committee

Korn Ferry was appointed by the Committee in 2018 following a competitive tender process to provide independent advice on remuneration matters. Representatives from Korn Ferry attend certain Committee meetings and provide advice and briefings to the Committee Chairman outside of meetings as necessary. Fees are charged on a cost incurred basis and the fees charged by Korn Ferry in the year ended 31 December 2019 totalled GBP£33,921. Korn Ferry is a member of the Remuneration Consultants Group and operates voluntarily under the Group's code which sets out the scope and conduct of the role of executive remuneration consultants when advising UK listed companies. Korn Ferry is also supporting the Company in connection with the recruitment if a new CEO. This support is provided by entirely separate team independent from the team advising the Committee. As a result, the Committee is satisfied that the advice provided on matters of remuneration remains objective and independent.

Shareholder voting at the AGM

At the AGM of the Company on 8 April 2019 the following votes for and against the adoption of the Remuneration Report and Policy were as follows:

	For	Against	Withheld
Approval of the Remuneration Report	529,996,129 (66.3%)	269,318,181 (33.7%)	2,568,087
Approval of the Remuneration Policy	788,094,546 (98.6%)	11,189,768 (1.4%)	2,598,083

As explained above, the Committee was disappointed that a minority of shareholders voted against the Remuneration Report resolution, due to some investors' concerns regarding the operation of the annual bonus plan in 2018 (e.g. the portion of the bonus that was payable for achieving a target level of performance). The Committee believes that these issues were addressed as part of the policy review process and, consequently, do not feature in the annual bonus plan going forward.

Policy implementation in 2020

The Committee intends to adopt the following approach to remuneration in 2020:

Base salary

Martin Horgan's salary on joining will be £485,000. Ross Jerrard will receive a 3% increase to his base salary in line with the increase in cost of living, resulting in his base salary increasing to £427,012. In addition, to reflect his appointment as Interim CEO (announced in December 2019), Ross continued to receive a salary supplement of £107,600 pa pro rata to the period of time that he fulfilled this role (calculated by reference to the difference in Ross and Andrew's base salaries in 2019). This salary supplement will be taken into account when determining Ross's 2020 bonus outturn but not his PSP awards. Andrew Pardey's salary will not be increased.

Pension/other benefits

No changes will be made to the approach adopted in the past i.e. no Executive Director will receive a pension.

Annual bonus

Annual bonus opportunity for Ross Jerrard will remain unchanged at 125% of salary. Martin Horgan's bonus opportunity will also be 125% of salary. Andrew Pardey will not participate in the bonus plan.

As was the case last year:

- 70% of the bonus opportunity will be based on financial/objectively measurable targets, namely production (assessed by reference to both volume and safety record via LTIFR), adjusted EBITDA, sustaining and direct operating costs, non-sustaining costs and capital projects;
- the remaining 30% will be based on personal/strategic targets; and
- the net amount of any bonus earned in excess of 75% of salary will be applied in the acquisition of shares which must be retained for two years.

Further detail of the 2020 bonus structure is set out below:

	Performance measure	Weighting
Financial and objectively measurable	Production	10%
	LTIFR (global)	10%
	Adjusted EBITDA	10%
	Sustaining and direct operating costs	22.5%
	Non-sustaining and capital projects	17.5%
		70%
Individual KPIs	Balanced scorecard	30%

Notes to table:

- Threshold achievement represents 25% of the bonus opportunity for the respective performance measure.
- Target achievement represents 62.5% of the bonus opportunity for the respective performance measures (as explained in the Remuneration Committee Chairman's letter).
- Maximum achievement represents 100% of the bonus opportunity for the respective performance measure.
- Adjusted EBITDA will be per the published Non-GAAP measures.

As explained in last year's report, 62.5% of maximum is payable for target performance. This approach should be considered in light of a number of factors such as; i) the bonus maximum of 125% of salary is relatively modest for a company of Centamin's size and complexity and, therefore a 62.5% of maximum payout for target performance, when expressed as a percentage of salary, is within the bandwidth of typical target bonus payouts offered by other similar sized companies that offer a higher bonus maximum; ii) when considered in the round, the Executive Directors' total target remuneration in aggregate reflects the appropriate amount when taking account of the market in which the Company operates and companies of a similar size and complexity, even with the 62.5% target payout under the bonus; iii) the robust approach that applies to the bonus structure (e.g. bonus deferral, significant weighting on financial targets, detailed target disclosure etc); and iv) the fact that the target level of performance that, if achieved, would result in a 62.5% of maximum payout will, across the performance measures, be stretching.

Due to commercial sensitivity, the Committee does not believe it in shareholders' interests to provide more detailed prospective disclosure of the bonus targets. It is also important to note that whilst Ross undertook the role of Interim CEO, he carried out additional duties and responsibilities to his role as CFO. Upon appointment of Martin Horgan as the new CEO, the Remuneration Committee will prepare a revised balance scorecard for both CEO and CFO roles. Further detail will be provided in next year's report.

Performance Share Plan ("PSP")

Ross Jerrard will receive a PSP award over shares worth 150% of salary, reflecting the approach adopted last year. Martin Horgan will receive an initial award on joining over shares worth 200% of salary, with the intention that his future awards in 2021 and onwards be at the 150% level. The Committee considers this higher initial award for Martin (which is allowed under our existing policy) is entirely appropriate, noting that (i) the award will provide an immediate alignment of his interests with those of shareholders (ii) challenging performance targets will be applied to the award which will be subject to a two year post-vesting holding period, (iii) the Committee has taken a considered approach to the other elements of Martin's remuneration (e.g. a base salary below that of his predecessor) and (iv) no additional buy-out awards have been necessary to secure Martin's recruitment. Andrew Pardey will not receive an award.

Awards will vest based upon a blend of three-year relative TSR, cash flow and production targets. Also, reflecting the new policy, these awards will be subject to a full two year post vesting holding period.

More particularly, the targets applied to this award are as follows:

Metric	Unit	Weighting	Threshold (25% vesting)	Stretch (100% vesting)
Relative TSR vs bespoke mining peer group		50%	Median	Upper quartile
Free cash flow	$'million	25%	45	70
Gold production	'000 ounces	25%	500	550

Notes:

- The bespoke mining peer group will comprise 27 relevant comparator companies.
- The Remuneration Committee will assess performance based on gold produced in 2022 over the Sukari concession.
- The Remuneration Committee will assess performance based on free cash flow generated over the Sukari Concession Agreement in 2022.
- Free cash flow is a Non-GAAP measure and the Remuneration Committee will apply a retrospective adjustment for any non-sustaining capex that has not been considered as part of the estimate. Dividends payable to CEY shareholders have not been included in this estimate.

Non-Executive Directors

No changes to the fees of the Non-Executive Directors will be made for 2020, except to reflect recent changes in responsibilities and/or committee chairmanship or membership. The combined fee for a Deputy Chair and Senior Independent Director will no longer apply in 2020 however, there will be a separate additional fee of £10,000 per annum for the Independent Director who undertakes the role of Senior Independent Director.

This report was approved by the Board of Directors and signed on its behalf by:

Edward Haslam

Chairman of the Remuneration Committee

18 May 2020

FINANCIAL STATEMENTS

OFFERING SHAREHOLDERS PURE GOLD EXPOSURE THROUGHOUT THE CYCLE

FINANCIAL STATEMENTS

SUSTAINABLE AND FUTURE GROWTH

Our strong balance sheet and future cash flow potential enables significant capital to be re-invested in the business for sustainability and future growth, as well as, maintaining our industry leading shareholder returns.

DIRECTORS' RESPONSIBILITIES

for the year ended 31 December 2019

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with IFRS as adopted by the European Union. Under company law the Directors must not approve the Group financial statements 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable IFRS as adopted by the European Union have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies (Jersey) Law, 1991.

The Directors are also responsible for safeguarding the assets of the Group and hence 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 Company's website. Legislation in the United Kingdom and Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors consider that the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy.

The Directors have undertaken a robust assessment of the principal risks impacting the Company. The assessment identified strategic and operational risks at a corporate level and principal risks impacting our operations in Egypt and West Africa. Details of the risk assessment can be found in the Audit and Risk Committee report on pages 136 and 138 and the risk management and principal risks section of the Strategic Report on pages 66 to 81.

The Board receives written assurances from the CFO and Senior Management 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 CFO and Senior Management 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 PricewaterhouseCoopers LLP, independent auditor, who was given unrestricted access to all financial records and related information, including minutes of all shareholder, Board and committee meetings.

The financial statements were authorised by the Board of Directors for issue and signed on their behalf by Ross Jerrard (CFO) and Darren Le Masurier (Company Secretary) on 18 May 2020.

Each of the Directors, whose names and functions are listed in the Governance Report, confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Group; and
- the Strategic and Governance Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Governance Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's auditor is unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

On behalf of the Board:

Ross Jerrard
Chief Financial Officer
Director
18 May 2020

Darren Le Masurier
Company Secretary
On behalf of the Board
18 May 2020

INDEPENDENT AUDITOR'S REPORT

to the members of Centamin plc

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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 2019 and of its profit and cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies (Jersey) Law 1991.

We have audited the financial statements, included within the Annual Report, which comprise: the consolidated statement of financial position as at 31 December 2019; the consolidated statement of comprehensive income, the consolidated statement of cash flows, and the consolidated statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

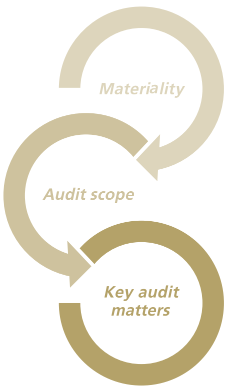
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Our audit approach

Overview



- Overall group materiality: $8.8 million (2018: $10.5 million), based on 5% of three-year average profit before tax.
- We focused our audit procedures on the Sukari Gold Mine, as well as performing audit procedures over the group's significant exploration operations and corporate activities. One component was subject to an audit of its complete financial information whilst a further four were subject to specific audit procedures over material balances. Audit procedures were performed in Egypt and Jersey.
- All audit work on key audit matters was performed by the group engagement team.

Key audit matters

- Ongoing legal actions which are under appeal before the Supreme Administrative Court in Egypt concerning the validity of the Sukari Concession Agreement and the claim before the Administrative Court concerning diesel fuel disputes.
- Amounts due to the government with respect to the Sukari operation.
- Impairment of property, plant and equipment.
- Going concern assessment in light of COVID-19 impact.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, 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 testing journals and evaluating whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITOR'S REPORT CONTINUED

to the members of Centamin plc

Key audit matter	How our audit addressed the key audit matter
Ongoing legal actions	
The appeal before the Supreme Administrative Court in Egypt concerning the validity of the Sukari Concession Agreement Refer to page 210 (note 5.1 to the financial statements) and page 78 (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 may be significantly reduced and there is, therefore, a risk of material impairment of non-current assets at Sukari, which has a carrying value of $889 million at 31 December 2019. The outcome of this matter is subject to significant uncertainty due to the political, social and economic environment in Egypt. **The claim before the Administrative Court concerning diesel fuel disputes** Refer to page 209 (note 5.1 to the financial statements) and page 78 (Principal risks). The group is involved in an ongoing legal case relating to historical and current fuel subsidies in Egypt. The potential amount that could be recouped by the group relating to the current subsidy case is $362.9 million and the potential amount that the group could have to pay if they lose the historical case is approximately $25.3 million as at 31 December 2019. To date, the group has booked a provision with respect to the $362.9 million fuel payment, but has not provided for the historical $25.3million, based on internal and external assessments of the merits of the case, but has made disclosure of a contingent liability. The group has disclosed the impact of the current subsidy case, being the difference between international and subsidised diesel prices that has impacted the group's results for the year, in note 2.8 to the financial statements. No contingent asset has been recognised.	We discussed the cases with the group's external legal advisors and obtained legal letters, and read correspondence and related documentation, including the Concession Agreement, to understand the legal challenge and the basis of the directors' assessment of the likely outcome of the cases. We assessed the competence and objectivity of the external legal advisors by considering factors including professional qualifications and fee arrangements. These procedures satisfied us that the external legal advisors were competent and objective. **The appeal before the Supreme Administrative Court in Egypt concerning the validity of the Sukari Concession Agreement** Based on our work summarised above, we determined that the directors had reflected all available information in their assessment. **The claim before the Administrative Court concerning diesel fuel disputes.** We agreed the current year payments and the corresponding provision to the underlying accounting records. The results of the procedures we performed support the directors' accounting treatment, under which no additional liability was recognised in respect of the $25.3 million historical case and no contingent asset was recognised in respect of the current subsidy case. We agreed the disclosures for both of these matters in note 2.8 and 5.1 to the financial statements and concluded that they are consistent with our understanding.
Amounts due to the government with respect to the Sukari operation	
Refer to page 183 (note 2.1 to the financial statements), page 188 (note 2.4 to the financial statements) and page 76 (Principal risks). The nature of the Concession Agreement means that there are items that can be open to interpretation. As a result, the group is subject to periodic challenges by Egyptian Mineral Resource Authority ('EMRA') on amounts owed under the Agreement. The amounts owed to EMRA with respect to the profit sharing arrangement under the Concession Agreement are based on management's best judgment of the probable amount of the profit share liability. As at 31 December 2019 the group has accrued and paid dividends to the non-controlling interest in SGM of $87.1 million as the result of the profit sharing and cost recovery mechanisms under the Concession Agreement, which we considered merited our focus due to its size and nature.	We held discussions with management regarding its calculation of the amount due to EMRA. We agreed the amounts in the calculation to source documentation and the underlying accounting records. We read the minutes of meetings with EMRA and held discussions with the group's external legal advisors regarding the current disputed items and obtained a legal letter. We assessed management's estimate of the likely outcome of items currently in dispute to satisfy ourselves that amounts due to EMRA had been appropriately recorded. We performed procedures to ensure the completeness of amounts due to EMRA, with no material unrecorded amounts identified. We agreed the disclosures in notes 2.1 and 2.4 to the financial statements to ensure they were consistent with the knowledge and understanding of the matter obtained in the course of the audit.
Impairment of property, plant and equipment	
Refer to page 179 (note 1.3.2 to the financial statements) and page 80 (Principal risks). The group has material property, plant and equipment of US$804.7 million as at 31 December 2019, primarily contained within the Sukari cash generating unit ("Sukari"). Management performed an impairment assessment based on the latest reserves and resources estimate and the life of mine plan as at 31 December 2019. Management determined that the recoverable amount of Sukari exceeds the carrying value. The determination of recoverable amount was based on the fair value less costs to dispose, which was higher than value-in-use. The estimate of the recoverable amount of Sukari requires significant estimation on the part of management. Management considered the key assumptions to be long-term gold price, the in-situ resource multiple and short-term production volumes. Management sensitised the 2020 production volume, gold price forecast and in-situ multiple and concluded that any reasonably possible changes in these assumptions in isolation do not lead to impairment of the carrying value.	Management used internal experts to prepare the reserves and resources estimate for Sukari. We assessed the competence of the internal expert by considering their professional qualifications. We held discussions with the expert regarding the key judgements and estimates taken during the preparation of the reserves and resources statements. We used our valuation experts to assist us in evaluating the appropriateness of the gold price, discount rate and the in-situ resource multiple. In assessing the valuation of Sukari as at 31 December 2019, we evaluated management's future cash flow forecasts, and the process by which they were drawn up, including checking the mathematical accuracy of the cash flow models and agreeing future capital and operating expenditure to the latest Board approved budgets and the latest approved life of mine plan. We assessed the reasonableness of management's future forecasts included in the cash flow forecasts in light of the historical accuracy of such forecasts and the current operational results. As a result of this assessment, we performed sensitivity analysis around the key assumptions within the cash flow forecasts using a lower production profile, lower gold prices and lower in-situ resource multiple, based on what, in our view, a market participant may apply. Our sensitivity analysis highlighted that the estimate of the recoverable amount of Sukari is sensitive to changes in key assumptions, but a reasonable possible change in these assumptions in isolation did not remove headroom or result in impairment. We satisfied ourselves that this sensitivity was appropriately highlighted within the disclosures in note 1.3.2.

Key audit matter	How our audit addressed the key audit matter
Going concern assessment in light of COVID-19 impact	
Refer to page 181 (note 1.3.7 to the financial statements) and page 76 (Principal risks). The monetary effects of the COVID-19 pandemic have stressed financial systems and significant parts of the world's major economies are being negatively impacted. As part of its going concern assessment, management has performed a risk assessment of the potential impact on the business, focussing on immediate measures to preserve the health and safety of employees, supply chain and production and exploration activity at Sukari and West Africa as well as ongoing trading with a single customer, Asahi Refining Canada Ltd. As part of this assessment, management has prepared a 12 month cash flow forecast which includes a number of severe but plausible downside sensitivities, in order to assess the risk to going concern. The group's performance in the year to date has remained substantially unaffected by the impact of COVID-19, and is currently significantly better than the performances modelled by management in the downside scenarios. In terms of their assessment, management believe that reduced processing or reduced mining activities to be the likely scenario that will occur, with all activities suspension unlikely to occur. In all of the downside scenarios, the group had positive closing liquidity, and we note that the group has no debt, therefore no covenants are in place. Management consider that they can sufficiently mitigate the decline in earnings and cash flows in their downside scenarios through the introduction of broad-based cost savings initiatives, Capex and Opex saving programmes and working capital reduction, all of which are in their control. Accordingly, the financial statements have been prepared on a going concern basis.	We obtained management's evaluation of the cash flow forecasts for the next 12 months. We tested the integrity of the forecast model, including the mathematical accuracy, and agreed the assumptions used to the approved budget and mine plan and checked for consistency with the models used for impairment. We agreed the opening cash balance per management's model to the underlying accounting records. We critically evaluated management's downside sensitivities and agreed that these represented severe but plausible scenarios. We considered the impact of the downside sensitivities on the group and the directors' disclosures thereon. Based on the work performed, we consider that management's conclusion on going concern to be appropriate. We also assessed the adequacy of the disclosure provided in note 1.3.7 of the financial statements and considered this to be acceptable.

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 structure of the group, the accounting processes and controls, and the industry in which it operates.

The group's principal operation is the Sukari Gold mine in Egypt. In addition to the mine the group continues its exploration projects in Burkina Faso and Côte d'Ivoire.

Our group audit scope focused primarily on the Sukari Gold mine which was subject to a full-scope audit. Specific audit procedures were performed over material balances for four components relating to the group's exploration operations and corporate activities. We visited the Sukari mine and conducted audit fieldwork in Egypt and Jersey. During these visits, we observed and discussed mining and exploration operations with local management and held discussions with the group's external in-country legal counsel who are based in Cairo.

Furthermore, we performed work over the consolidation of the group's components and the parent company.

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 in aggregate 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	$8.8 million (2018: $10.5 million)
How we determined it	5% of three-year average profit before tax.
Rationale for benchmark applied	We chose profit before tax as it is one of the key indicators of the financial performance of the group. We used a three-year average due to the volatility of annual gold production.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was between $1.0 million and $7.8 million.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above $440,000 (2018: $525,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Going concern

In accordance with ISAs (UK) we report as follows:

Reporting obligation	Outcome
We are required to report if we have anything material to add or draw attention to in respect of the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the group's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's ability to continue as a going concern. For further details please refer to the respective key audit matter.	We have nothing material to add or to draw attention to.
We are required to report if the directors' statement relating to Going Concern in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit.	We have nothing to report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) and the Listing Rules of the Financial Conduct Authority (FCA) require us also to report certain opinions and matters as described below (required by ISAs (UK) unless otherwise stated).

The directors' assessment of the prospects of the group and of the principal risks that would threaten the solvency or liquidity of the group

We have nothing material to add or draw attention to regarding:

- The directors' confirmation on page 82 of the Annual Report 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.
- The disclosures in the Annual Report that describe those risks and explain how they are being managed or mitigated.
- The directors' explanation on page 82 of the Annual Report 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 to report having performed a review of the directors' statement that they have carried out a robust assessment of the principal risks facing the group and statement in relation to the longer-term viability of the group. 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 UK Corporate Governance Code (the "Code"); and considering whether the statements are consistent with the knowledge and understanding of the group and its environment obtained in the course of the audit. (Listing Rules)

Other Code Provisions

We have nothing to report in respect of our responsibility to report when:

- The statement given by the directors, on page 166, that they consider the Annual Report taken as a whole to be fair, balanced and understandable, and provides the information necessary for the members to assess the group's position and performance, business model and strategy is materially inconsistent with our knowledge of the group obtained in the course of performing our audit.
- The section of the Annual Report on page 131 describing the work of the Audit and Risk Committee does not appropriately address matters communicated by us to the Audit and Risk Committee.
- The directors' statement relating to the company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified, under the Listing Rules, for review by the auditors.

Opinions on additional disclosures

Directors' Remuneration Report

The company voluntarily prepares a Directors' Remuneration Report in accordance with the provisions of the United Kingdom Companies Act 2006 ("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 88 and 89, as well as page 119, with respect to internal control and risk management systems and about share capital structures is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement set out on page 166, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the 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.

OTHER REQUIRED REPORTING

Companies (Jersey) Law 1991 exception reporting

Under the 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.

Jonathan Lambert
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Recognized Auditors
London

18 May 2020

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2019

	Note	31 December 2019 US$'000	31 December 2018 US$'000
Revenue	2.2	**652,344**	603,248
Cost of sales	2.3	**(439,285)**	(406,538)
Gross profit		**213,059**	196,710
Profit on financial assets at fair value through profit or loss	2.6	**3,889**	–
Other income[(1)]	2.3	**5,856**	6,421
Finance income	2.3	**5,817**	4,815
Other operating costs[(1)]	2.3	**(38,709)**	(34,238)
Exploration and evaluation expenditure	2.1	**(16,883)**	(21,006)
Profit for the year before tax		**173,029**	152,702
Tax	2.5	**(112)**	(53)
Profit for the year after tax		**172,917**	152,649
Profit for the year after tax attributable to:			
– the owners of the parent		**87,463**	74,845
– non-controlling interest in SGM	2.4	**85,454**	77,804
Other comprehensive expense			
Items that may be reclassified subsequently to profit or loss:			
Loss on financial assets at fair value through other comprehensive expense (net of tax)		**–**	(125)
Other comprehensive expense for the year		**–**	(125)
Total comprehensive income for the year		**172,917**	152,524
Total comprehensive income for the year attributable to:			
– the owners of the parent		**87,463**	74,720
– non-controlling interest in SGM	2.4	**85,454**	77,804
Earnings per share attributable to owners of the parent:			
Basic (US cents per share)	6.4	**7.588**	6.497
Diluted (US cents per share)	6.4	**7.535**	6.444

(1) The 2018 comparative figures for Other income and Other operating costs have changed due to reclassifications, refer to note 2.3 for further information

The above audited consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2019

	Note	31 December 2019 US$'000	31 December 2018 US$'000
Non-current assets			
Property, plant and equipment	2.9	**804,717**	835,987
Exploration and evaluation asset	2.10	**68,138**	59,154
Inventories – mining stockpiles	2.11	**52,658**	32,424
Other receivables	2.7	**93**	88
Total non-current assets		**925,606**	927,653
Current assets			
Inventories	2.11	**108,957**	97,550
Financial assets at fair value through profit or loss	2.6	**6,454**	–
Trade and other receivables	2.7	**47,061**	33,443
Prepayments	2.8	**6,132**	6,696
Cash and cash equivalents	2.16	**278,229**	282,627
Total current assets		**446,833**	420,316
Total assets		**1,372,439**	1,347,969
Non-current liabilities			
Provisions	2.13	**14,575**	13,748
Total non-current liabilities		**14,575**	13,748
Current liabilities			
Trade and other payables	2.12	**57,411**	39,246
Tax liabilities	2.5	**227**	3
Provisions	2.13	**8,589**	8,155
Total current liabilities		**66,227**	47,404
Total liabilities		**80,802**	61,152
Net assets		**1,291,637**	1,286,817
Equity			
Issued capital	2.14	**672,105**	670,589
Share option reserve	2.15	**4,179**	5,688
Accumulated profits		**615,353**	610,540
Total equity attributable to:			
– owners of the parent		**1,293,528**	1,287,087
– non-controlling interest in SGM	2.4	**(1,891)**	(270)
Total equity		**1,291,637**	1,286,817

The above audited consolidated statement of financial position should be read in conjunction with the accompanying notes.

The audited consolidated financial statements on pages 172 to 221 were authorised by the Board of Directors for issue on 18 May 2020 and signed on its behalf by:

Ross Jerrard
Chief Financial Officer
Director
18 May 2020

Darren Le Masurier
Company Secretary
On behalf of the Board
18 May 2020

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2019

	Note	Issued capital US$'000	Share option reserve US$'000	Accumulated profits US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance as at 1 January 2019		**670,589**	**5,688**	**610,810**	**1,287,087**	**(270)**	**1,286,817**
Profit for the year after tax		**–**	**–**	**87,463**	**87,463**	**85,454**	**172,917**
Total comprehensive income for the year		**–**	**–**	**87,463**	**87,463**	**85,454**	**172,917**
Recognition of share-based payments		**–**	**7**	**–**	**7**	**–**	**7**
Transfer of share-based payments		**1,516**	**(1,516)**	**–**	**–**	**–**	**–**
Dividend paid – non-controlling interest in SGM	2.4	**–**	**–**	**–**	**–**	**(87,075)**	**(87,075)**
Dividend paid – owners of the parent		**–**	**–**	**(81,029)**	**(81,029)**	**–**	**(81,029)**
Balance as at 31 December 2019		**672,105**	**4,179**	**617,244**	**1,293,528**	**(1,891)**	**1,291,637**

	Note	Issued capital US$'000	Share option reserve US$'000	Accumulated profits US$'000	Total US$'000	Non-controlling interests US$'000	Total equity US$'000
Balance as at 1 January 2018		668,732	4,323	680,657	1,353,712	(1,683)	1,352,029
Profit for the year after tax		–	–	74,845	74,845	77,804	152,649
Other comprehensive expense for the year		–	–	(125)	(125)	–	(125)
Total comprehensive income for the year		–	–	74,720	74,720	77,804	152,524
Recognition of share-based payments		–	3,222	–	3,222	–	3,222
Transfer of share-based payments		1,857	(1,857)	–	–	–	–
Dividend paid – non-controlling interest in SGM	2.4	–	–	–	–	(76,391)	(76,391)
Dividend paid – owners of the parent		–	–	(144,567)	(144,567)	–	(144,567)
Balance as at 31 December 2018		670,589	5,688	610,810	1,287,087	(270)	1,286,817

The above audited consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2019

	Note	31 December 2019 US$'000	31 December 2018 US$'000
Cash flows from operating activities			
Cash generated from operating activities	2.16(b)	**249,048**	223,791
Income tax refund received		**170**	–
Income tax paid		**(214)**	(387)
Net cash generated by operating activities		**249,004**	223,404
Cash flows from investing activities			
Acquisition of financial assets at fair value through profit or loss	2.6	**(9,364)**	–
Disposal of financial assets at fair value through profit or loss	2.6	**6,799**	–
Acquisition of property, plant and equipment		**(81,207)**	(83,454)
Brownfield exploration and evaluation expenditure		**(12,198)**	(4,946)
Finance income	2.3	**5,817**	4,815
Net cash used in investing activities		**(90,153)**	(83,585)
Cash flows from financing activities			
Dividend paid – non-controlling interest in SGM	2.4	**(87,075)**	(76,391)
Dividend paid – owners of the parent		**(81,029)**	(144,567)
Net cash used in financing activities		**(168,104)**	(220,958)
Net decrease in cash and cash equivalents		**(9,253)**	(81,139)
Cash and cash equivalents at the beginning of the year		**282,627**	359,680
Effect of foreign exchange rate changes		**4,855**	4,086
Cash and cash equivalents at the end of the year	2.16(a)	**278,229**	282,627

The above audited consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. CURRENT REPORTING PERIOD AMENDMENTS

1.1 Changes in critical judgments and estimates

There were no updates and/or changes to critical accounting judgments and estimates that management have made in the year in applying the Group's accounting policies, that have the most significant effect on the amounts recognised and the disclosure of such amounts in the financial statements.

1.2 Changes in policies and estimates

The financial position and performance of the Group was particularly affected by the following events and transactions during the reporting period:

- adoption of the following new and revised accounting standards:
  - IFRS 16 'Leases' has been assessed by management, for further information, see note 1.2.1 below.
- no new standards, amendments and interpretations not yet adopted.

For a detailed discussion about the Group's performance and financial position, please refer to the financial review.

1.2.1 IFRS 16 Leases

In the current year, this new standard has been adopted and has not had a material impact on the amounts reported in these financial statements.

Nature of change

IFRS 16 was issued in January 2016. It has resulted in almost all leases being recognised on the balance sheet by lessees, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low-value leases.

Impact

In the year ended 31 December 2018 the Group set up a project team which reviewed all the Group's leasing arrangements in light of the new lease accounting rules in IFRS 16. The standard affects primarily the accounting for the Group's operating leases.

Management performed an impact assessment of IFRS 16 on the Group's contracts and financial statements. All active contracts were assessed under the requirements of IFRS 16 to determine whether they had arrangements that contained a lease. Under IAS 17 'Leases' and IFRIC 4 'Determining whether an arrangement contains a lease', contracts were initially assessed on the date of their inception to determine whether or not they should be accounted for under those standards. If, on initial assessment, they didn't meet the requirements of IAS 17 or IFRIC 4, but on reassessment do meet the requirements of IFRS 16, they were excluded from this assessment by application of paragraph C3(b) of IFRS 16. Management elected to apply paragraph C3(b) and therefore paragraph C4 of IFRS 16 as a practical expedient to not apply this standard to all the Group's existing contracts.

Mandatory application date and date of adoption by Group

The Group has applied the standard from its mandatory adoption date of 1 January 2019. The Group has applied the simplified transition approach and has not restated comparative amounts for the year or period prior to the current reporting period. Right-of-use assets for property leases have been measured on transition as if the new rules had always been applied. All other right-of-use assets will continue to be measured at the amount of the lease liability on adoption (adjusted for any prepaid or accrued lease expenses).

As at 31 December 2018, the Group had non-cancellable operating lease commitments of US$3.2 million, see note 5.2 of the 2018 Annual Report. Of these commitments, approximately US$1.1 million related to low value leases which are and will be recognised on a straight-line basis as an expense in profit or loss.

For the remaining lease commitments, the Group recognised right-of-use assets of approximately US$1.6 million on 1 January 2019 and lease liabilities of US$1.6 million (after adjustments for prepayments and accrued lease payments recognised as at 31 December 2018). Overall net assets have changed, and net current assets are US$0.3 million lower due to the presentation of a portion of the liability as a current liability.

Due to these IFRS 16 adjustments at 1 January 2019 and the consequential transactions in the year not being material, the full disclosure of the impact of the new standard has been excluded from these results.

Standards not affecting the reported results or the financial position

In the current year, the following new and revised standards and interpretations that have been adopted have not had a material impact on the amounts reported in these financial statements:

- IFRIC 23 'Uncertainty over Income Tax Treatments' has been adopted from its effective date of 1 January 2019, its impact has been assessed by management, with no material impact on these results.

There are no other standards that are not yet effective and that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

1.3 Critical judgments and estimates in applying the entity's accounting policies

The following are the critical judgments and estimates that management have 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 estimates and associated disclosures with the Company's Audit and Risk Committee.

The critical accounting judgments are as follows:

1.3.1 Judgment: Control

1.3.1.1 Accounting treatment of Sukari Gold Mine ("SGM")

Pharaoh Gold Mines NL (holder of an Egyptian branch) ("PGM") and EMRA are 50:50 partners in SGM. In prior periods the FRC questioned management's judgment of control and resulting full consolidation of SGM as a subsidiary within the Group's financial statements.

SGM is consolidated within the Group, reflecting the substance and economic reality of the Concession Agreement ("CA") (see note 4.1 to the financial statements). The IFRS 10 definition of control encompasses three distinct principles, which, if present, identify the existence of control by an investor over an investee, hence forming a parent-subsidiary relationship:

- power over the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect the amount of the investor's returns.

An investor has power over an investee when the investor has existing rights that give it the current ability to direct the relevant activities (i.e. the activities that significantly affect the investee's returns). The following is a list of some of the relevant activities considered which the Company directs, through PGM, in relation to the operation of the Sukari Gold Mine that most significantly affect the returns of SGM:

- the following activities are controlled by the Company, through PGM, by having the right to appoint or remove the managing Director of SGM under the terms of the CA:
    - the appointment of the General Manager ("GM") at SGM;
    - the GM makes all day-to-day decisions to allow the mine to operate which involve:
        - preparing SGM's work programmes through determination of the daily and longer term mine plans, the budgets covering the operations to be carried out throughout the life of the mine and approval of the same;
        - capital expenditure, procurement, cost control and treasury;
        - conducting exploration, development, production and marketing operations;
        - co-ordinating SGM operations and activities, including its dealings with all contractors and subcontractors;
        - bearing ultimate responsibility for all costs and expenses required in carrying out any and all operations under the CA;
        - funding the operations of SGM and recovering costs and expenses throughout the life of the mine (i.e. exploration, development and production phases);
        - funding additional exploration and expansion programmes within the mine during the production phase;
        - custody of SGM's stock and management of its funds;
        - selling and shipping of all gold and associated metals produced; and
        - entering into and managing gold sales or hedging contracts and forward sale agreements.
    - EMRA must, in terms of the CA, make the required approvals to allow the mine to operate.

1. CURRENT REPORTING PERIOD AMENDMENTS CONTINUED

1.3 Critical judgments and estimates in applying the entity's accounting policies continued

1.3.1 Judgment: Control continued

- Role and function of the board of SGM:
  - there are six board members:
    - three of which are appointed by the Company, through PGM; and
    - three of which are appointed by EMRA:
      - the executive chairman, as one of the three EMRA appointed board members, is a representative of EMRA and is appointed by the Egyptian Ministry of Finance.
  - it convenes twice a year to:
    - facilitate a forum for sharing information between the owners of SGM;
    - provide a mechanism to scrutinise the timing and amounts of expenses; rather than as a decision-making body over SGM's most significant relevant activities;
    - consider and approve the budget, annual financial statements of SGM, review and approve the cost recovery position and other compliance matters; and
    - is not allowed to unreasonably withhold approval;
  - resolving a deadlock position:
    - disputed matters are resolved through open discussion at board level;
      - the executive chairman does not have a veto or casting vote;
    - where matters cannot be agreed upon, an ad-hoc committee is appointed with each party having equal representation. This committee will then recommend an appropriate course of action to the board with the best interest of all shareholders in mind; and
    - should the board still not agree on a course of action, there is a provision for arbitration and ultimately matters can be presented to the International Court of Arbitration at The Hague;
  - the board of SGM cannot appoint or remove the GM, this right belongs solely to the Company, through PGM, in terms of the CA;
- EMRA and/or the Egyptian government have no downside risk in their share of SGM. If SGM were to become loss making or insolvent, these costs are absorbed in its entirety by the Company, through PGM, in accordance with the CA.

The Company is therefore exposed to the variable returns, has the ability to affect the amount of those returns, has power over SGM through its ability to direct its relevant activities and therefore meets all the criteria of control to consolidate SGM's results within the Group to reflect the substance and economic reality of the CA.

As the Company, through PGM, is determined to be the controlling party, it should consolidate its subsidiary, SGM, and should apply consolidation procedures, combining balance sheet and profit and loss items line by line as well as applying the rest of the consolidation procedures set out in IFRS 10 App B para B86. The Group therefore prepares consolidated financial statements on this basis.

1.3.1.2 Treatment and disclosure of EMRA profit share

EMRA holds 50% of the shares in the Group subsidiary, SGM, which are not attributable to the Company, and it is entitled to receive net proceeds from the operations of SGM on a residual basis in accordance with their specified shareholding per the CA (this distribution is in accordance with the profit share mechanism and not as a consequence of accumulated profits as defined by accounting standards). Therefore, the Group recognises a non-controlling interest in SGM ("NCI") to represent EMRA's participation.

In terms of the CA, the NCI's rights to any profit share payments (dividend distributions) is only triggered after the cost recovery of all amounts invested (or spent during operations) during the exploration, construction and development stages have been repaid to PGM. The profit share mechanism was only triggered in November 2016 (after all amounts due to be cost recovered were complete). Until that time the NCI had no rights to claim any distribution of accumulated profits or profit share.

It is important to note that the availability of cash in SGM for distribution to its shareholders as profit share is under the control of the Company, through PGM, by the decisions made on SGM's strategic direction and day-to-day operational requirements of running the mine. This is regarded as discretionary and exposes the Company to variable returns.

Distributions to shareholders in SGM:

- once all expenditure requirements have been met, excess cash reserves, if any, are distributed to both SGM shareholders:
  - distributions are always made simultaneously to both shareholders;
  - the split of the distribution is in accordance with the ratchet mechanism (i.e. the standard profit share ratios of 60/40 (first two years), 55/45 (second two years) and 50/50 to PGM and EMRA respectively through time) as governed by the CA; but:
    - distributions are not mandatory, entirely discretionary and there are only distributions if there are excess funds;
    - distributions are paid in advance on a weekly or fortnightly basis by mutual agreement between shareholders;
- at end of the SGM reporting period, final profits are determined, externally audited and then approved by the board of SGM:
  - final profit distributions become payable within 60 days of the financial year end, SGM is unable to avoid payment at this point and the amount payable is recorded as equity attributable to the NCI until paid;
- the CA is merely a shareholder agreement specifying how and when profits from SGM will be distributed to shareholders and is typical of a minority shareholder protection mechanism.

The Group should attribute the profit or loss for the year after tax and each component of other comprehensive income for the year to the owners of the parent and to the NCI in SGM. The entity shall also attribute total comprehensive income for the year to the owners of the parent and to NCI even if this results in the NCI having a deficit balance (IFRS 10 App B para B94). The CA only contemplates the distribution of profit to shareholders. The NCI would only have a deficit balance where advance distributions paid during the year have exceeded final distributions payable after year end financial statements have been prepared and audited. This deficit would be entirely funded by the Company, through PGM, and would first be redeemed from future excess cash before regular distributions to both parties resume. SGM has no claw back provision for advance profits paid to the NCI. We note that annual dividend payments, after approval of audited financial statements, is a standard feature of transactions with an NCI and that such payments are not normally treated as non-discretionary payments triggering a liability in the consolidated statement of financial position of the parent.

Any losses generated by SGM will be entirely funded by the Company, through PGM, but attributed to both shareholders. These losses will first be recovered before further profit share distributions commence.

In the Group statement of financial position, all the accumulated profits of SGM are attributable to the Company as EMRA have already received their share through the advance profit distribution payments made, therefore NCI is usually disclosed in the financial statements as nil unless there is an outstanding distribution payable to or deficit from EMRA due to timing differences of the cash sweep. Please refer to note 2.4 for further information.

The treatment and disclosure of the EMRA profit share as an NCI for 2019 is consistent with the amended disclosure presented for the first time in the 2018 Annual Report. This amended disclosure was in response to the FRC query finalised in 2018. For further information on how the disclosures were amended in 2018, please see note 1.1.1.2 of the 2018 Annual Report.

1.3.2 Impairment assessment of Group assets

IFRS requires management to test for impairment if events or changes in circumstances indicate that the carrying amount of a finite live asset may not be recoverable.

Considering the requirements of IAS36 an impairment test has been performed. On review, no impairment was required.

In making its assessment as to the possibility of whether any impairment losses had arisen, management considered the following as part of its assessment of the recoverable amount:

- internal sources of information; and
- external sources of information.

1. CURRENT REPORTING PERIOD AMENDMENTS CONTINUED

1.3 Critical judgments and estimates in applying the entity's accounting policies continued

1.3.2.1 Sukari Gold Mine

The assessment compared the recoverable amount of the Sukari gold mine cash generating unit ("CGU") with its carrying value for the year ended 31 December 2019. The recoverable amount of the CGU is assessed by reference to the higher of value in use ("VIU"), being the net present value ("NPV") of future cash flows expected to be generated by the asset, and fair value less costs to dispose ("FVLCD"). The FVLCD is derived using discounted cash flow techniques (NPV of expected future cash flows of a CGU), which incorporate market participant assumptions. Cost to dispose is based on management's best estimates of future selling costs at the time of calculating FVLCD. Costs attributable to the disposal of the CGU are not considered significant. The expected future cash flows utilised in the FVLCD model are derived from estimates of projected future revenues, future cash costs of production and capital expenditures contained in the life of mine ("LOM") plan, and as a result FVLCD is considered to be higher than VIU. The Group's LOM plan reflects proven and probable reserves, assumes limited in-situ resource conversion, and is based on detailed research, analysis and modelling to optimise the internal rate of return.

The discount rate applied to calculate the present value is based upon the real weighted average cost of capital applicable to the CGU. The discount rate reflects equity risk premiums over the risk-free rate, the impact of the remaining economic life of the CGU and the risks associated with the relevant cash flows based on the country in which the CGU is located. These risk adjustments are based on observed equity risk premiums, historical country risk premiums and average credit default swap spreads for the period.

During the impairment assessment management applied the following key assumptions: long-term gold price US$1,350/oz, real discount rate of 6.5% and an in-situ resource multiple of US$45/oz.

For purposes of testing for impairment of the Sukari CGU, we have assessed whether a reasonably possible change in any of the key assumptions used to estimate the recoverable value for the CGU would result in an impairment charge. Sensitivity calculations were performed for the CGU based on:

- a decrease in the gold price of US$100 per ounce for 2020;
- a decrease in the in-situ resource multiple to US$23/oz;
- an increase in the real discount rate to 9%; and
- a reduction in 2020 production to 480,000 ounces.

In isolation, none of the changes set out above would result in an impairment. This sensitivity analysis also does not take into account any of management's mitigation factors should these changes occur.

1.3.2.2 Exploration and evaluation assets

In accordance with the requirements of IAS 36 'Impairment of assets' and IFRS 6 'Exploration for and evaluation of mineral resources', the assessment compared the recoverable amount of the individual Exploration and Evaluation Asset Cash Generating Units ("E&E CGU") with their carrying value for the year ended 31 December 2019. The recoverable amount of the E&E CGUs is assessed by reference to the higher of VIU, being the NPV of future cash flows expected to be generated by the asset, and FVLCD. The FVLCD is derived using discounted cash flow techniques (NPV of expected future cash flows of a CGU), which incorporate market participant assumptions. Cost to dispose is based on management's best estimates of future selling costs at the time of calculating FVLCD. Costs attributable to the disposal of the E&E CGUs are not considered significant. The expected future cash flows utilised in the FVLCD model are derived from estimates of resource multiples multiplied by proven and probable reserves of the E&E CGUs and were considered to be higher than the VIU amount.

For purposes of testing for impairment of the E&E CGUs, we have assessed whether a reasonably possible change in any of the key assumptions used to estimate the recoverable value would result in an impairment charge. Sensitivity calculations were performed based on:

- a decrease in the in-situ resource multiple to US$10/oz.

In isolation, none of the changes set out above would result in an impairment. This sensitivity analysis also does not take into account any of management's mitigation factors should these changes occur.

1.3.3 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 5.1 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 significant 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 Concession Agreement under which Sukari operates, are given in note 5.1 to the financial statements. Although it is possible to quantify the effects of the loss of the national fuel subsidy, it is not currently possible to quantify with sufficient precision the impact of any restrictions placed on the terms of the Group's operations under the Concession Agreement.

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 remains 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.

The changes to critical accounting estimates and assumptions are disclosed in notes 1.2 and 1.3 above. The other critical estimates and assumptions are as follows:

1.3.4 Ore reserves

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 and that it is uncertain if exploration will result in further targets being delineated as a mineral resource.

1.3.5 Mineral reserve and resource statement

The Group mineral reserve and resource statement for the Sukari Gold Mine with an effective date of 18 July 2019 will be published in the 2019 Annual Report which will be available on 27 May 2020. The mineral reserve estimation has used an assumed gold price of US$1,300 per ounce as a basis of preparation. The information on the mineral resources and reserves was prepared by Qualified Persons as defined by the National Instrument 43-101 of the Canadian Securities Administrators.

There are numerous uncertainties inherent in estimating mineral resources and ore reserves. Assumptions that are valid at the time of estimation may change significantly when new information becomes available.

1.3.6 Recovery of capitalised exploration, evaluation and development expenditure

The Group's accounting policy for exploration and evaluation expenditure results in brownfield exploration and evaluation expenditure being capitalised to the balance sheet 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 brownfield 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.

1.3.7 Going concern

Under guidelines set out by the 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.

1. CURRENT REPORTING PERIOD AMENDMENTS CONTINUED

1.3 Critical judgments and estimates in applying the entity's accounting policies continued

1.3.7 Going concern continued

COVID-19

The FRC has released updated guidelines regarding disclosure of "material uncertainties" to going concern in current circumstances. Material uncertainties refers to uncertainties related to events or conditions that may cast significant doubt upon the entity's ability to continue as a going concern. In other words, if boards identify possible events or scenarios (other than those with a remote probability of occurring) that could lead to corporate failure, then these should be disclosed. When assessing whether material uncertainties exist, boards should consider both the uncertainty and the likely success of any realistically possible response to mitigate this uncertainty.

The economic impact of the COVID-19 pandemic will have its effect on the Group. Currently there are no material financial implications to our operations and Sukari continues to operate with no confirmed cases on site. Gold sales are still commencing on a weekly basis although due to travel restrictions in certain countries the route flown to Canada has changed slightly and resulted in an additional transport cost of c.US$0.40/oz. Gold sales are continuing and this trend is expected to continue assuming further travel restrictions are not implemented and there are no operational issues caused by the pandemic. Weekly cash flow forecasts continue to be performed and distributions to EMRA and PGM are continuing, however these can be halted should cash be locally required. To date there has been no significant impact to critical stock on site but this is continuously being assessed and backup plans are in place. Due to the current travel restriction on people in Egypt some expatriates and Egyptian nationals on site will be required to work longer shifts and will be compensated accordingly, however everything possible is being done to ensure they are operating within the health and safety guidelines, they are having sufficient time to rest after their shifts and to assist them to meet their rotation schedules.

In order to secure the health and safety of our employees and the production capabilities of Sukari, the Group established a COVID-19 Executive Committee and support team which meets and provides daily updates on COVID-19 globally to site, Production, Supply Chain and HSE activities. Sukari is operating a very strict three-point check for all people movements to prevent the spread of the disease and all corporate offices are currently closed with employees working from home. The Group is continuously evaluating further potential actions to mitigate risk due to the COVID-19 crisis. As a result, and even though globally everyone is confronted with a high level of uncertainty, it is not expected that the coronavirus COVID-19 will have a material negative impact on the ability of the Group to operate as going concern.

Management have performed detailed analyses and forecasts to assess the economic impact of COVID-19 from a going concern and viability perspective. The Group continues to benefit from a strong balance sheet with large cash balances and no debt. At 31 December 2019 the Group had cash and cash equivalents of US$278 million and therefore it is very likely that the Group will have sufficient liquidity for at least 12 months after the date of approval of these financial statements. As part of assessing the Group's ability to continue as a going concern, management performed various stress testing scenarios on the Group's balance sheet to assess the potential downturn this pandemic could have on its business, the scenarios addressed were:

- Current state;
- Underground shutdown;
- Reduced processing – Plant 2 shutdown;
- Processing plant shutdown – Plant 1 & 2; and
- All activities suspension.

The sensitivities applied were informed by internal and external data sources, including a review of the Group's most recent production levels with reductions in production levels to various stages of slowdown and suspension. Consultations regarding the impact of this pandemic have also been had both with our critical suppliers and refiners. The Group doesn't engage in any hedging activities and as such all gold sales are exposed to movements in market prices.

In each scenario, sufficient liquidity was demonstrated, and we have no information that an All Activities Suspension scenario is likely to occur. In the event of such further deterioration of market conditions as a result of the COVID-19 outbreak, and implementation of the mitigating actions identified by the Board, the Group will have sufficient liquidity to meet obligations when they fall due for a period of at least 12 months after 18 May 2020.

Based on these detailed cash flow forecasts prepared by management, in which it included any reasonably possible change in the key assumptions on which the cash flow forecasts were based and assessing various scenarios related to COVID-19, the Directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for twelve months from 18 May 2020 and that at this point in time there are no material uncertainties regarding going concern. Key assumptions underpinning the forecasts include:

- available cash balances;
- favourable litigation outcomes, for current litigation refer to note 5.1 to the financial statements;
- gold price of US$1,500/oz.; and
- production volumes in line with 2019 guidance.

These financial statements for the year ended 31 December 2019 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.

1.3.8 Depreciation of capitalised underground mine development costs

Depreciation of capitalised underground mine development costs at the Sukari Gold Mine is based on reserve estimates. Management and Directors believe that these estimates are realistic based on current information. Please refer to ore reserves, note 3.1.1(i).

2. HOW NUMBERS ARE CALCULATED

2.1 Segment reporting

The Group is engaged in the business of exploration for and mining of precious metals, which represents three operating segments, two in the business of exploration and one in mining of precious metals. The Board is the Group's chief operating decision-maker within the meaning of IFRS 8 'Operating segments'. Management has determined the operating segments based on the information reviewed by the Board for the purposes of allocating resources and assessing performance.

The Board considers the business from a geographic perspective and a mining of precious metals versus exploration for precious metals perspective. Geographically, management considers separately the performance in Egypt, Burkina Faso, Côte d'Ivoire and Corporate (which includes Jersey, United Kingdom and Australia). From a mining of precious metals versus exploration for precious metals perspective, management separately considers the Egyptian mining of precious metals from the West African exploration for precious metals in these geographies. The Egyptian mining operations derive its revenue from the sale of gold while the West African entities are currently only engaged in precious metal exploration and do not produce any revenue.

The Board assesses the performance of the operating segments based on profits and expenditure incurred as well as exploration expenditure in each region. Egypt is the only operating segment mining precious metals and therefore has revenue and cost of sales whilst the remaining operating segments do not. All operating segments are reviewed by the Board as presented and are key to the monitoring of ongoing performance and assessing plans of the Company.

Non-current assets other than financial instruments by country:

	31 December 2019 US$'000	31 December 2018 US$'000
Egypt	**888,681**	891,131
Burkina Faso	**35,845**	35,959
Côte d'Ivoire	**524**	543
Corporate	**556**	20
	925,606	927,653

Additions to non-current assets mainly relate to Egypt and are disclosed in note 2.9.

Statement of financial position by operating segment:

31 December 2019	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Statement of financial position					
Total assets	**1,372,439**	**1,048,764**	**36,904**	**1,282**	**285,489**
Total liabilities	**(80,802)**	**(69,002)**	**(426)**	**(704)**	**(10,670)**
Net assets/total equity	**1,291,637**	**979,762**	**36,478**	**578**	**274,819**

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.1 Segment reporting continued

31 December 2018	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Statement of financial position					
Total assets	1,347,969	1,032,284	36,876	909	277,900
Total liabilities	(61,152)	(57,843)	(477)	(85)	(2,747)
Net assets/total equity	1,286,817	974,441	36,399	824	275,153

Statement of comprehensive income by operating segment:

31 December 2019	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Statement of comprehensive income					
Revenue	**652,344**	**652,344**	–	–	–
Cost of sales	**(439,285)**	**(439,285)**	–	–	–
Gross profit	**213,059**	**213,059**	–	–	–
Profit on financial assets at fair value through profit or loss (net of tax)	**3,889**	–	–	–	**3,889**
Other income	**5,856**	**6,105**	**(55)**	**(299)**	**105**
Finance income	**5,817**	**42**	–	–	**5,775**
Other operating costs	**(38,709)**	**(18,492)**	**(159)**	**(205)**	**(19,852)**
Exploration and evaluation costs	**(16,883)**	–	**(2,715)**	**(14,168)**	–
Profit/(loss) for the year before tax	**173,029**	**200,714**	**(2,929)**	**(14,672)**	**(10,083)**
Tax	**(112)**	**(282)**	–	–	**170**
Profit/(loss) for the year after tax	**172,917**	**200,432**	**(2,929)**	**(14,672)**	**(9,913)**
Profit/(loss) for the year after tax attributable to:					
– the owners of the parent(1)	**87,463**	**114,978**	**(2,929)**	**(14,672)**	**(9,913)**
– non-controlling interest in SGM(1)	**85,454**	**85,454**	–	–	–

(1) Please note that the cost recovery model on which profit share is based under the Concession Agreement is different to the accounting results presented above due to various adjustments and as such the share of profit disclosed above is not reflective of the 55%:45% split that occurs in practice, refer to the statement of cash flows by operating segment below for further information.

31 December 2018	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Statement of comprehensive income					
Revenue	603,248	603,248	–	–	–
Cost of sales	(406,538)	(406,538)	–	–	–
Gross profit	196,710	196,710	–	–	–
Other income	6,421	6,221	(90)	(476)	766
Finance income	4,815	44	–	–	4,771
Other operating costs	(34,238)	(19,605)	(391)	(168)	(14,074)
Exploration and evaluation costs	(21,006)	–	(5,223)	(15,783)	–
Profit/(loss) for the year before tax	152,702	183,370	(5,704)	(16,427)	(8,537)
Tax	(53)	(53)	–	–	–
Profit/(loss) for the year after tax	152,649	183,317	(5,704)	(16,427)	(8,537)
Profit/(loss) for the year after tax attributable to:					
– the owners of the parent(1)	74,845	105,513	(5,704)	(16,427)	(8,537)
– non-controlling interest in SGM(1)	77,804	77,804	–	–	–

(1) Please note that the cost recovery model on which profit share is based under the Concession Agreement is different to the accounting results presented above due to various adjustments and as such the share of profit disclosed above is not reflective of the 55%:45% split that occurs in practice, refer to the statement of cash flows by operating segment below for further information.

Statement of cash flows by operating segment:

31 December 2019	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Statement of cash flows					
Net cash generated by/(used in) operating activities[1]	**249,004**	**285,534**	**(282)**	**777**	**(37,025)**
Net cash (used in)/generated by investing activities	**(90,153)**	**(92,571)**	**(4)**	**(160)**	**2,582**
Net cash (used in)/generated by financing activities					
Dividend paid – non-controlling interest in SGM	**(87,075)**	**(87,075)**	**–**	**–**	**–**
Dividend paid – controlling interest in SGM	**–**	**(106,425)**	**–**	**–**	**106,425**
Dividend paid – owners of the parent	**(81,029)**	**–**	**–**	**–**	**(81,029)**
Net (decrease)/increase in cash and cash equivalents	**(9,253)**	**(537)**	**(286)**	**617**	**(9,047)**
Cash and cash equivalents at the beginning of the period	**282,627**	**3,714**	**28**	**241**	**278,644**
Effect of foreign exchange rate changes	**4,855**	**2,704**	**274**	**(296)**	**2,173**
Cash and cash equivalents at the end of the period	**278,229**	**5,881**	**16**	**562**	**271,770**

(1) Please note that the cash generated by operating activities for Burkina Faso and Côte d'Ivoire are affected by the movements in working capital, specifically intercompany loans, with its direct parent entity Centamin West Africa Holdings Limited which is included within the corporate segment.

31 December 2018	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Statement of cash flows					
Net cash generated by/(used in) operating activities[1]	223,404	255,488	(304)	628	(32,408)
Net cash (used in)/generated by investing activities	(83,585)	(88,098)	(2)	(248)	4,763
Net cash used in financing activities					
Dividend paid – non-controlling interest in SGM	(76,391)	(76,391)	–	–	–
Dividend (paid)/received – controlling interest in SGM	–	(93,855)	–	–	93,855
Dividend paid – owners of the parent	(144,567)	–	–	–	(144,567)
Net (decrease)/increase in cash and cash equivalents	(81,139)	(2,856)	(306)	380	(78,357)
Cash and cash equivalents at the beginning of the period	359,680	1,614	132	335	357,599
Effect of foreign exchange rate changes	4,086	4,955	202	(474)	(597)
Cash and cash equivalents at the end of the period	282,627	3,713	28	241	278,645

(1) Please note that the cash generated by operating activities for Burkina Faso and Côte d'Ivoire are affected by the movements in working capital, specifically intercompany loans, with its direct parent entity Centamin West Africa Holdings Limited which is included within the corporate segment.

Exploration expenditure by operating segment:

The following table provides a breakdown of the total exploration expenditure of the Group by operating segment:

	31 December 2019 US$'000	31 December 2018 US$'000
Burkina Faso	**2,715**	5,223
Côte d'Ivoire	**14,168**	15,783
Egypt (Sukari tenement including Cleopatra excluding pre-production gold sales adjustment)	**16,478**	13,635
Total exploration expenditure	**33,361**	34,641

ACCOUNTING POLICY: SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors.

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.2 Revenue

An analysis of the Group's revenue for the year, from continuing operations, is as follows:

	31 December 2019 US$'000	31 December 2018 US$'000
Gold sales (Including pre-production gold sales related to Cleopatra)	**657,124**	613,727
Less: Pre-production gold sales related to Cleopatra – transferred to exploration and evaluation asset	**(5,767)**	(11,523)
Gold sales (Excluding pre-production gold sales related to Cleopatra)	**651,357**	602,204
Silver sales	**987**	1,044
	652,344	603,248

All gold and silver sales during the year were made to a single customer in North America, Asahi Refining Canada Ltd.

ACCOUNTING POLICY: REVENUE

Revenue is measured at the fair value of the consideration received or receivable for goods in the normal course of business.

Sale of goods

Under IFRS 15, Revenue from the sale of mineral production is recognised when the Group has passed control 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.

The performance obligation is satisfied when the doré bars are packaged and delivered to the approved carrier with the appropriate required documentation at the gold room and the approved carrier accepts control of the shipment by signature. 98% of the payable gold and silver content of the refined gold bars will be priced and paid within one working day after receipt of the shipment at the refinery with the balance being priced and paid five working days after receipt. There are no significant judgments applied to the determination of revenue.

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.

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.

2.3 Profit before tax

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

	31 December 2019 US$'000	31 December 2018 US$'000
Other income		
Net foreign exchange gains	**5,806**	6,372
Other income	**50**	49
	5,856	6,421
Finance income		
Interest received	**5,817**	4,815
Expenses		
Cost of sales		
Mine production costs (Including costs related to gold produced from Cleopatra)	**(353,232)**	(330,924)
Mine production costs related to gold produced from Cleopatra		
– transferred to exploration and evaluation asset	**1,487**	2,834
Mine production costs	**(351,745)**	(328,090)
Movement in inventory	**28,254**	31,296
Depreciation and amortisation	**(115,794)**	(109,744)
	(439,285)	(406,538)

	31 December 2019 US$'000	31 December 2018 US$'000
Other operating costs		
Corporate compliance	**(3,158)**	(1,758)
Fees payable to the external auditors	**(847)**	(710)
Corporate consultants	**(7,380)**	(652)
Communications and IT	**(295)**	(328)
Salaries and wages	**(5,004)**	(7,316)
Travel, accommodation and entertainment	**(726)**	(819)
Office rents and lease payment	**(99)**	(148)
Other administration expenses	**(933)**	(482)
Insurances	**(630)**	(305)
Other taxes	**151**	(169)
Employee equity settled share-based payments	**(7)**	(3,222)
Corporate costs (sub-total)	**(18,928)**	(15,909)
Other provisions	**–**	58
Net movement on provision for stock obsolescence	**1,500**	1,804
Inventory written off	**(594)**	(451)
Office related depreciation	**(393)**	(301)
Royalty – attributable to the ARE government	**(19,701)**	(18,396)
Bank charges	**(161)**	(142)
Finance charges	**(569)**	(870)
Gain/(loss) on disposal of asset	**137**	(31)
	(38,709)	(34,238)

Net foreign exchange gains have been recognised within Other income disclosures, in prior years these were netted off against Other operating costs, prior year comparatives have been reclassified accordingly where there have been net foreign exchange gains.

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.3 Profit before tax continued

ACCOUNTING POLICY: OTHER INCOME AND FOREIGN CURRENCIES

Finance income

Finance 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. Finance 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.

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 US dollars, which is the functional currency of all companies in the Group and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each 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.

2.4 Non-controlling interest in SGM

EMRA is a 50% shareholder in SGM and is entitled to a share of 50% of SGM's net production surplus which can be defined as 'revenue less payment of the fixed royalty to the ARE and recoverable costs'. However, in accordance with the terms of the CA, in the first and second years in which there is a profit share, PGM will be entitled to an additional 10% of net production surplus and an additional 5% in the third and fourth years.

Earnings attributable to the non-controlling interest in SGM (i.e. EMRA) are pursuant to the provisions of the CA and are recognised as profit attributable to the non-controlling interest in SGM in the attribution of profit section of the statement of comprehensive income of the Group. The profit share payments during the year will be reconciled against SGM's audited financial statements. The SGM financial statements for the year ended 30 June 2019 have not been signed off at the date of this report and are in the process of being audited.

Certain terms of the CA and amounts in the cost recovery model may also vary depending on interpretation and management and the Board making various judgments and estimates that can affect the amounts recognised in the financial statements.

(a) Statement of comprehensive income and statement of financial position impact

	31 December 2019 US$'000	31 December 2018 US$'000
Statement of comprehensive income		
Profit for the year after tax attributable to the non-controlling interest in SGM[1]	**85,454**	77,804
Statement of financial position		
Total equity attributable to non-controlling interest in SGM[1] (opening)	**(270)**	(1,683)
Profit for the year after tax attributable to the non-controlling interest in SGM[1]	**85,454**	77,804
Dividend paid – non-controlling interest in SGM	**(87,075)**	(76,391)
Total equity attributable to non-controlling interest in SGM[1] (closing)	**(1,891)**	(270)

(1) Profit share commenced during the third quarter of 2016. The first two years was a 60:40 split of net production surplus to PGM and EMRA respectively. From 1 July 2018 this changed to a 55:45 split for the next two-year period until 30 June 2020, after which all net production surpluses will be split 50:50.

Any variation between payments made during the year (which are based on the Company's estimates) and the SGM audited financial statements, may result in a balance due and payable to EMRA or advances to be offset against future distributions. This will be reflected as an amount attributable to the non-controlling interest in SGM on the statement of financial position and statement of changes in equity.

(b) Statement of cash flows impact

	31 December 2019 US$'000	31 December 2018 US$'000
Statement of cash flows		
Dividend paid – non-controlling interest in SGM[1]	**(87,075)**	(76,391)

(1) Profit share commenced during the third quarter of 2016. The first two years was a 60:40 split of net production surplus to PGM and EMRA respectively. From 1 July 2018 this changed to a 55:45 split for the next two-year period until 30 June 2020, after which all net production surpluses will be split 50:50.

EMRA and PGM benefit from advance distributions of profit share which are made on a weekly or fortnightly basis and proportionately in accordance with the terms of the CA. Future distributions will take into account ongoing cash flows, historical costs that are still to be recovered and any future capital expenditure. All profit share payments will be reconciled against SGM's audited June financial statements for current and future periods.

2.5 Tax

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. If 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 Egypt, Pharaoh Gold Mines NL 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, other than the fixed royalty attributable to the Egyptian government, rental income on property and interest income on cash and cash equivalents.

The Concession Agreement grants certain tax exemptions, including the following:

- from 1 April 2010, being the date of commercial production, the Sukari Gold Mine is entitled to a 15-year exemption from any taxes imposed by the Egyptian government on the revenues generated from the Sukari Gold Mine. 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 have 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 addition 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 subcontractors 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.

Relevance of tax consolidation to the consolidated entity

In Australia, Centamin Egypt Limited and Pharaoh Gold Mines NL, both wholly owned Australian resident entities within the Group, have elected to form a tax-consolidated Group from 1 July 2003 and therefore are treated as a single entity for Australian income tax purposes. The head entity within the tax-consolidated Group is Centamin Egypt Limited. Pharaoh Gold Mines NL, which has a registered Egyptian branch, benefits from the 'branch profits exemption' whereby foreign branch income will generally not be subject to Australian income tax. Ampella Mining Limited is a single entity for Australian income tax purposes.

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 have 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.

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.5 Tax continued

The tax-sharing agreement entered 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.

Tax recognised in profit is summarised as follows:

Tax expense

	31 December 2019 US$'000	31 December 2018 US$'000
Current tax		
Current tax expense in respect of the current year	(112)	(53)
Deferred tax	–	–
Total tax expense	(112)	(53)

The tax expense for the year can be reconciled to the profit per the consolidated statement of comprehensive income as follows:

	31 December 2019 US$'000	31 December 2018 US$'000
Profit for the year before tax	173,029	152,702
Tax expense calculated at 0%(1) (2018: 0%)(1) of profit for the year before tax	–	–
Tax effect of amounts which are not deductible/taxable in calculating taxable income:		
Effect of different tax rates of subsidiaries operating in other jurisdictions	(112)	(53)
Tax	(112)	(53)

(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 (2018: 0%). There has been no change in the underlying corporate tax rates when compared with the previous financial period.

Tax recognised in the balance sheet is summarised as follows:

	31 December 2019 US$'000	31 December 2018 US$'000
Current tax liabilities	227	3
Non-current tax liabilities	–	155

ACCOUNTING POLICY: 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.

2.6 Financial assets at fair value through profit or loss

	31 December 2019 US$'000	31 December 2018 US$'000
Balance at the beginning of the period	–	–
Additions at cost	9,364	–
Disposals at market value	(6,799)	–
Unrealised gain on fair value of investment – profit or loss	4,041	–
Unrealised loss on foreign exchange movement	(152)	–
	6,454	–

The financial assets at fair value through profit or loss at 31 December 2019 relates to an equity interest in a listed public company. Subsequent to 31 December 2019 and as at the date of approval of these financial statements this equity interest has been disposed of in full.

ACCOUNTING POLICY: FINANCIAL INSTRUMENTS

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 as defined below. Financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

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.

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.

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

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.6 Financial assets at fair value through profit or loss continued

ACCOUNTING POLICY: FINANCIAL INSTRUMENTS CONTINUED

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income ("FVOCI").

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date, being the date on which the Group commits to purchase or sell the asset.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. 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.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Subsequent to initial recognition, investments in subsidiaries are measured at cost in the Company's 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.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

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.

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 fair value through profit or loss, 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 financial assets at fair value through other comprehensive income 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 FVOCI equity instruments, any subsequent increase in fair value after an impairment loss is recognised in other comprehensive income.

2.7 Trade and other receivables

	31 December 2019 US$'000	31 December 2018 US$'000
Non-current		
Other receivables – deposits	93	88
	93	88

	31 December 2019 US$'000	31 December 2018 US$'000
Current		
Gold and silver sales debtors	34,695	28,234
Other receivables	12,366	5,209
	47,061	33,443

Trade and other receivables are classified as financial assets subsequently measured at amortised cost.

All gold and silver sales during the year were made to a single customer in North America, Asahi Refining Canada Ltd, and are neither past due nor impaired.

The average age of the receivables is nine days (2018: nine days) and expected credit losses are highly immaterial. 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 and silver sales debtor is all a receivable from Asahi Refining Canada Ltd. The amount due has been received in full subsequent to year end. Other receivables represent GST and VAT owing from the various jurisdictions that the Group operates in, inventory returns to vendors where refunds are expected to occur and amounts receivable from the sale of shares in a listed public company.

The Directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value, therefore no expected credit loss is recognised within this note, see note 3.1.1 for the risk assessment related to trade receivables.

2.8 Prepayments

	31 December 2019 US$'000	31 December 2018 US$'000
Current		
Prepayments	4,776	5,149
Fuel prepayments	1,356	1,547
	6,132	6,696

Diesel Fuel Oil ("DFO") dispute

As more fully described in note 5.1, the Group is currently involved in court action concerning the price at which it is supplied with DFO. Since January 2012, the Group has had to pay for DFO at the international price rather than the subsidised price which it believes it is entitled to. It is seeking recovery of the funds advanced since 2012 through court action. However, management recognises the practical difficulties associated with reclaiming funds from the Egyptian government and for this reason has fully provided against the prepayment of US$362.9 million to 31 December 2019, of which US$35.9 million was provided for during 2019.

In order to allow a better understanding of the financial statements presented within the consolidated financial statements, and specifically the Group's underlying business performance, the effect of the Diesel Fuel Oil dispute is shown below.

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.8 Prepayments continued

Diesel Fuel Oil ("DFO") dispute continued

Movement in fuel prepayments

	31 December 2019 US$'000	31 December 2018 US$'000
Balance at the beginning of the year	**1,547**	2,247
Fuel prepayment recognised	**35,922**	49,711
Less: Provision charged to:		
Mine production costs	**(31,058)**	(45,017)
Property, plant and equipment	**(5,712)**	(5,175)
Inventories	**657**	(219)
Balance at the end of the year	**1,356**	1,547

Cumulative fuel prepayment and provision recognised

	31 December 2019 US$'000	31 December 2018 US$'000
Fuel prepayment recognised	**362,885**	326,967
Less: provision charged to:		
Mine production costs	**(333,104)**	(302,047)
Property, plant and equipment	**(27,766)**	(22,055)
Inventories	**(659)**	(1,317)

This has resulted in a net charge of US$28.0 million in the profit and loss for the year.

	31 December 2019			31 December 2018		
	Before adjustment US$'000	Adjustment US$'000	Total US$'000	Before adjustment US$'000	Adjustment US$'000	Total US$'000
Expenses						
Cost of sales						
Mine production costs	**(320,687)**	**(31,058)**	**(351,745)**	(283,073)	(45,017)	(328,090)
Movement in inventory	**25,159**	**3,095**	**28,254**	35,821	(4,525)	31,296
Depreciation and amortisation	**(115,794)**	**–**	**(115,794)**	(109,744)	–	(109,744)
	(411,322)	**(27,963)**	**(439,285)**	(356,996)	(49,542)	(406,538)

2.9 Property, plant and equipment ("PPE")

	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
Year ended 31 December 2019 **Cost**							
Balance at 1 January 2019	**7,307**	**2,347**	**604,158**	**309,788**	**517,629**	**23,482**	**1,464,711**
Additions	**73**	**1,229**	**357**	**10,164**	**689**	**68,695**	**81,207**
Increase in rehabilitation asset	–	–	–	–	**570**	–	**570**
Transfers from capital work in progress	**409**	**25**	**9,292**	**14,189**	**39,678**	**(63,593)**	–
Transfers from exploration and evaluation asset	–	–	–	–	**3,214**	–	**3,214**
Disposals	–	**(68)**	**(15)**	**(22)**	–	–	**(105)**
Balance at 31 December 2019	**7,789**	**3,533**	**613,792**	**334,119**	**561,780**	**28,584**	**1,549,597**
Accumulated depreciation and amortisation							
Balance at 1 January 2019	**(6,384)**	**(695)**	**(185,075)**	**(205,103)**	**(231,467)**	–	**(628,724)**
Depreciation and amortisation	**(590)**	**(403)**	**(28,613)**	**(45,438)**	**(41,142)**	–	**(116,186)**
Disposals	–	**1**	**7**	**22**	–	–	**30**
Balance at 31 December 2019	**(6,974)**	**(1,097)**	**(213,681)**	**(250,519)**	**(272,609)**	–	**(744,880)**
Year ended 31 December 2018 **Cost**							
Balance at 1 January 2018	6,796	2,051	591,101	274,976	457,113	37,998	1,370,035
Additions	72	–	126	9,496	–	73,760	83,454
Increase in rehabilitation asset	–	–	–	–	1,854	–	1,854
Transfers from capital work in progress	440	296	13,080	25,476	48,984	(88,276)	–
Transfers from exploration and evaluation asset	–	–	–	–	9,678	–	9,678
Disposals	(1)	–	(149)	(160)	–	–	(310)
Balance at 31 December 2018	7,307	2,347	604,158	309,788	517,629	23,482	1,464,711
Accumulated depreciation							
Balance at 1 January 2018	(5,890)	(548)	(156,921)	(163,902)	(191,675)	–	(518,936)
Depreciation and amortisation	(495)	(147)	(28,252)	(41,361)	(39,792)	–	(110,047)
Disposals	1	–	98	160	–	–	259
Balance at 31 December 2018	(6,384)	(695)	(185,075)	(205,103)	(231,467)	–	(628,724)
Net book value							
As at 31 December 2019	**815**	**2,436**	**400,111**	**83,600**	**289,171**	**28,584**	**804,717**
As at 31 December 2018	923	1,652	419,083	104,685	286,162	23,482	835,987

Included in various PPE categories within the additions for 2019 the Group recognised right-of-use assets of approximately US$1.6 million as a result of the application of IFRS 16 Leases.

An impairment review was performed in 2019 on the Sukari cash generating unit ("CGU"), refer to note 1.3.2.1 above, however no impairment resulted from the review.

Assets that have been cost recovered under the terms of the Concession Agreement in Egypt are included on the statement of financial position under property, plant and equipment due to the Company having right of use of these assets. These rights will expire together with the Concession Agreement.

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.9 Property, plant and equipment ("PPE") continued

ACCOUNTING POLICY: 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, except for capital work in progress. 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. Depreciation on capital work in progress commences on commissioning of the asset and transfer to the relevant PPE category.

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 other income or operating expenses.

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, net of any pre-production revenues.

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 unit 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.

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 they potentially generate 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.

2.10 Exploration and evaluation asset

	31 December 2019 US$'000	31 December 2018 US$'000
Balance at the beginning of the year	59,154	63,885
Expenditure for the period	16,478	13,635
Pre-production gold sales net of costs related to Cleopatra	(4,280)	(8,688)
Transfer to property, plant and equipment	(3,214)	(9,678)
Balance at the end of the year	68,138	59,154

The exploration and evaluation asset relates to the drilling, geological exploration and sampling of potential ore reserves and can be attributed to Egypt (US$32.9 million) and Burkina Faso (US$35.2 million relating to the acquisition of Ampella Mining Limited).

In accordance with the requirements of IAS 36 'Impairment of assets' and IFRS 6 'Exploration for and evaluation of mineral resources' 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.

An impairment review has subsequently been performed on the Sukari cash generating unit ("CGU") during 2019, refer to note 1.3.2.2 of above for further information, however no impairment resulted from the review.

ACCOUNTING POLICY: EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

Exploration and evaluation expenditures in relation to each separate area of interest are differentiated between greenfield and brownfield exploration activities in the year in which they are incurred.

The greenfield and brownfield terms are generally used in the minerals sector and have been adopted to differentiate high risk remote exploration activity from near-mine exploration activity:

(a) greenfield exploration refers to territory, where mineral deposits are not already developed and has the goal of establishing a new mine requiring new infrastructure, regardless of it being in an established mining field or in a remote location. Greenfield exploration projects can be subdivided into grassroots and advanced projects embracing prospecting, geoscientific surveys, drilling, sample collection and testing, but excludes work of brownfields nature, pit and shaft sinking and bulk sampling; and

(b) brownfield exploration, also known as near-mine exploration, refers to areas where mineral deposits were previously developed. In brownfield exploration, geologists look for deposits near or adjacent to an already operating mine with the objective of extending its operating life and taking advantage of the established infrastructure.

Greenfield exploration costs will be expensed as incurred and will not be capitalised to the balance sheet until a decision is made to pursue a commercially viable project. Brownfield exploration costs will continue to be capitalised to the statement of financial position.

Brownfield 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:

- the rights to tenure of the area of interest are current; and
- at least one of the following conditions is also met:
  - 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
  - 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.

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.10 Exploration and evaluation asset continued

ACCOUNTING POLICY: EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE CONTINUED

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 based on the commercial and technical feasibility, 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.

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 in note 2.2. The commencement date of commercial production is determined when stable and sustained production capacity has been achieved.

2.11 Inventory

The treatment and classification of mining stockpiles within inventory is split between current and non-current assets. Stockpiles which will not be consumed within the next twelve months based on mining and processing forecasts have been reclassified to non-current assets. The reason for the classification split is the manner in which the mining stockpiles will be utilised or drawn upon in the future within the life of mine, with priority being placed on the higher grade ore. The volume of ore extracted from the open pit in the year far exceeded the volume that could be processed, which has caused a large increase in the volume and value of the mining stockpiles.

The carrying value of the non-current asset portion is assessed at the lower of cost or net realisable value. The cost of the mining stockpiles was assessed through comparing the current costs and discounting the future processing costs at a US$ applicable rate of 2.4% over the expected life of the asset to the future expected selling price. The net present value was the higher of the two and as such it is valued at cost.

In line with the mineral reserves estimate for Sukari at 30 June 2018, the mine cut-off grade for the surface stockpiles was changed from 0.3 to 0.4 grams per tonne (g/t), this is consistent with the updated mineral reserves estimate for Sukari at 30 June 2019. In 2018 amounts under 0.4g/t were expensed which resulted in a US$5.7 million charge in that year.

	31 December 2019 US$'000	31 December 2018 US$'000
Non-current		
Mining stockpiles	**52,658**	32,424
	52,658	32,424

	31 December 2019 US$'000	31 December 2018 US$'000
Current		
Mining stockpiles and ore in circuit	**38,620**	30,601
Stores inventory	**72,169**	70,281
Provision for obsolete stores inventory	**(1,832)**	(3,332)
	108,957	97,550

Stores inventories written off in the year total US$0.6 million as per note 2.3 (2018: US$ nil).

ACCOUNTING POLICY: INVENTORIES

Inventories include mining stockpiles, gold in circuit, doré supplies and stores and materials are stated at the lower of cost and net realisable value. The cost of mining stockpiles and gold produced is determined principally by the weighted average cost method using related production costs.

Cost of mining stockpiles include costs incurred up to the point of stockpiling, such as mining and grade control costs, but exclude future costs of production. Ore extracted is allocated to stockpiles based on estimated grade, with grades below defined cut-off levels treated as waste and expensed. While held in physically separate stockpiles, the Group blends the ore from each stockpile when feeding the processing plant to achieve the resultant gold content. In such circumstances, lower and higher grade ore stockpiles each represent a raw material, used in conjunction with each other, to deliver overall gold production, as supported by the relevant feed plan.

The processing of ore in stockpiles occurs in accordance with the LOM processing plan and is currently being optimised based on the known mineral reserves, current plant capacity and mine design. Ore tonnes contained in the stockpiles which exceed the annual tonnes to be milled as per the mine plan in the following year, are classified as non-current in the statement of financial position. Currently at Sukari, low grade low (0.4 to 0.5g/t) open pit stockpile material above the cut-off grade of 0.4g/t has been reclassified to non-current assets as these ore tonnes are not planned to be processed within the next twelve months.

The net realisable value of mining stockpiles is determined with reference to estimated contained gold and market gold prices applicable. Mining stockpiles which are blended together with future ore mined when fed to the plant are assessed as an input to the gold production process to ensure the combined stockpiles are carried at the lower of cost and net realisable value. Mining stockpiles which are not blended in production are assessed separately to ensure they are carried at the lower of cost and net realisable value, although no such stockpiles are currently held.

Costs of gold inventories include all costs incurred up until production of an ounce of gold such as milling costs, mining costs and directly attributable mine general and administration costs but exclude transport costs, refining costs and royalties. Net realisable value is determined with reference to estimated contained gold and market gold prices.

Stores and materials consist of consumable stores and are valued at weighted average cost after appropriate impairment of redundant and slow moving items. Consumable stock for which the Group has substantially all the risks and rewards of ownership are brought onto the statement of financial position as current assets.

2.12 Trade and other payables

	31 December 2019 US$'000	31 December 2018 US$'000
Trade payables	**27,249**	23,510
Other creditors and accruals	**30,162**	15,736
	57,411	39,246

Trade payables principally comprise the amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 23 days (2018: 21 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.

Other creditors and accruals relate to various accruals that have been recognised due to amounts known to be outstanding for which invoices have not yet been received. The large increase is partly due to accruals regarding advisor fees related to the Endeavour takeover bid. Included in other creditors and accruals for 2019 the Group recognised liabilities in relation to right-of-use assets of approximately US$1.2 million as a result of the application of IFRS 16 Leases.

The Directors consider that the carrying amount of trade payables approximate their fair value.

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.12 Trade and other payables continued

ACCOUNTING POLICY: TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

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 at 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.

2.13 Provisions

	31 December 2019 US$'000	31 December 2018 US$'000
Current		
Employee benefits(1)	701	1,855
Egypt health insurance(2)	–	805
Other current provisions(3)	7,888	5,495
	8,589	8,155
Non-current		
Restoration and rehabilitation(4)	14,572	13,591
Other non-current provisions	3	157
	14,575	13,748
Movement in restoration and rehabilitation provision		
Balance at beginning of the year	13,591	10,868
Additional provision recognised	570	1,854
Interest expense – unwinding of discount	411	869
Balance at end of the year	14,572	13,591

(1) Employee benefits relate to annual, sick and long service leave entitlements and bonuses.

(2) Egypt health insurance relates to Law no. 2 of the 2018 Comprehensive Health Insurance Law that requires 0.25% of revenues and an additional 4% of social insurance contributions to be paid by the Egyptian company effective from 1 July 2018, this is currently undergoing review and as such has not been provided for in 2019.

(3) Provision held for in-country disputes including customs, rebates and withholding taxes.

(4) 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 decommission infrastructure, restore affected areas by ripping and grading of compacted surfaces to blend with the surroundings, closure of project components to ensure stability and safety at the Group's sites. This has all been discounted by 2.40% (2018: 3.02%) using a US$ applicable rate and inflation applied at 1.77% (2018: 2.49%). This restoration and rehabilitation estimate has been made on the basis of benchmark assessments of restoration works required following mine closure and after taking into account the projected area to be disturbed to date. The annual review undertaken as at 31 December 2019 has resulted in a US$0.57 million increase in the provision.

Key management estimates are the unit costs used in calculating the nominal provision amount, for various activities, namely ripping and grading, hauling and application, regrading slopes, construction of bunds and demolition of buildings, as well as certain fixed costs, including labour and dismantling of equipment. Unit costs range between $0.33/m_2$ to $6.62/m_2$. A 10% change in these unit and fixed costs would have a US$1.6 million impact on the provision and corresponding asset amounts, with a highly insignificant effect on the consolidated statement of comprehensive income.

ACCOUNTING POLICY: 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.

2.14 Issued capital

	31 December 2019		31 December 2018	
	Number	**US$'000**	**Number**	**US$'000**
Fully paid ordinary shares				
Balance at beginning of the period	**1,154,722,984**	**670,589**	1,152,107,984	668,732
Employee share option scheme – proceeds from shares issued	**1,232,400**	**1,312**	2,615,000	1,406
Transfer from share option reserve	**–**	**204**	–	451
Balance at end of the period	**1,155,955,384**	**672,105**	1,154,722,984	670,589

The authorised share capital is an unlimited number of no par value shares.

At 31 December 2019, the trustee of the deferred bonus share plan held 473,049 ordinary shares (2018: 606,383 ordinary shares) pursuant to the plan rules.

Fully paid ordinary shares carry one vote per share and carry the right to dividends. See note 6.3 for more details of the share options.

ACCOUNTING POLICY: 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 purchase 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.

2.15 Share option reserve

	31 December 2019 US$'000	31 December 2018 US$'000
Share option reserve		
Balance at beginning of the period	**5,688**	4,323
Share-based payments expense	**2,646**	3,520
Transfer to accumulated profits	**(2,639)**	(298)
Transfer to issued capital	**(1,516)**	(1,857)
Balance at the end of the period	**4,179**	5,688

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.

2. HOW NUMBERS ARE CALCULATED CONTINUED

2.16 Cash flow information

(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 2019 US$'000	31 December 2018 US$'000
Cash and cash equivalents	**278,229**	282,627

ACCOUNTING POLICY: 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.

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

	31 December 2019 US$'000	31 December 2018 US$'000
Profit for the year before tax	**173,029**	152,702
Adjusted for:		
Profit on financial assets at fair value through profit or loss	**(3,889)**	–
Depreciation/amortisation of property, plant and equipment	**116,187**	110,047
Inventory written off	**594**	451
Inventory obsolescence provision	**(1,500)**	(1,804)
Foreign exchange gains, net	**(5,806)**	(6,373)
Share-based payments expense	**7**	3,222
Finance income	**(5,817)**	(4,815)
(Gain)/loss on disposal of property, plant and equipment	**(137)**	31
Changes in working capital during the period:		
(Increase)/decrease in trade and other receivables	**(13,619)**	1,023
(Increase) in inventories	**(30,141)**	(22,959)
Decrease in prepayments	**559**	3,105
Increase/(decrease) in trade and other payables	**18,167**	(12,340)
Increase in provisions	**1,414**	1,501
Cash flows generated from operating activities	**249,048**	223,791

(c) Non-cash financing and investing activities

During the year there have been no non-cash financing and investing activities.

3. GROUP FINANCIAL RISK AND CAPITAL MANAGEMENT

3.1 Group financial risk management

3.1.1 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 the 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 2.14 and 2.15. 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 2019 US$'000	31 December 2018 US$'000
Financial assets		
Cash and cash equivalents	**278,229**	282,627
Trade and other receivables (excluding VAT)	**46,320**	32,743
Financial assets at fair value through profit or loss	**6,454**	–
	331,003	315,370
Financial liabilities		
Trade and other payables	**57,411**	39,246

(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 and Risk 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.

3. GROUP FINANCIAL RISK AND CAPITAL MANAGEMENT CONTINUED

3.1 Group financial risk management continued

3.1.1 Financial instruments continued

(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 pounds, Australian dollars and Egyptian pounds are as follows:

	Great British pound		Australian dollar		Egyptian pound	
	31 December 2019 US$'000	31 December 2018 US$'000	31 December 2019 US$'000	31 December 2018 US$'000	31 December 2019 US$'000	31 December 2018 US$'000
Financial assets						
Cash and cash equivalents	**1,999**	1,631	**1,339**	1,379	**2,141**	1,344
Financial assets at fair value through profit or loss	**–**	–	**6,454**	–	**–**	–
	1,999	1,631	**7,793**	1,379	**2,141**	1,344
Financial liabilities						
Trade and other payables	**224**	(833)	**10,192**	9,699	**(858)**	5,453
	224	(833)	**10,192**	9,699	**(858)**	5,453
Net exposure	**1,775**	2,464	**(2,399)**	(8,320)	**2,999**	(4,109)

The following table summarises the sensitivity of financial instruments held at the reporting date to movements in the exchange rate of the Great British pound, Egyptian pound and Australian dollar to the US 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 2019 US$'000	31 December 2018 US$'000	31 December 2019 US$'000	31 December 2018 US$'000
US$/GBP increase by 10%	**161**	223	**–**	–
US$/GBP decrease by 10%	**(197)**	(223)	**–**	–
US$/AUD increase by 10%	**(805)**	(756)	**(587)**	–
US$/AUD decrease by 10%	**984**	756	**717**	–
US$/EGP increase by 10%	**273**	(374)	**–**	–
US$/EGP decrease by 10%	**(333)**	374	**–**	–

The Group's sensitivity to foreign currency has increased at the end of the current period mainly due to an increase in GBP and EGP foreign currency cash holdings offset by a decrease in AUD foreign currency cash holdings as well as an increase in AUD financial assets at fair value through profit or loss holdings an increase in AUD and GBP trade payables offset by a decrease in EGP trade payables. There is also a decrease in US dollar cash holdings and offset by an increase in US dollar trade payables.

The amounts shown above are the main currencies which the Group is exposed to. Centamin also has small deposits in euro (US$257,032) and West African franc (US$578,174), and net payables of US$1,318,055 in euro and US$1,336,279 in West African franc. A movement of 10% up or down in these currencies would have a negligible effect on the assets/liabilities.

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 and fuel prices. The Group has not entered into forward gold hedging contracts.

Gold price

The table below summarises the impact of increases/decreases of the average realised gold price on the Group's profit after tax for the year. The analysis assumes that the average realised gold price per ounce had increased/decreased by 10% with all other variables held constant.

	Decrease by 10% US$/oz	31 December 2019 US$/oz	Increase by 10% US$/oz
Average realised gold price	1,259	**1,399**	1,539
	US$'000	**US$'000**	US$'000
Profit after tax	114,069	**172,917**	241,609

Fuel price

Any variation in the fuel price has an impact on the mine production costs. The analysis assumes that the average fuel price had increased/decreased by a few US cents per litre with all other variables held constant.

	Decrease by 10% US$/litre	31 December 2019 US$/litre	Increase by 10% US$/litre
Fuel price	0.53	**0.59**	0.65
	US$'000	**US$'000**	**US$'000**
Mine production costs	(342,248)	**(351,745)**	(361,242)

(e) Interest rate risk and liquidity 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 the balance sheet date were as per the table below.

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 for liquidity risk management rests with the Board, which 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 in section (a) to (c) of this note above reflect a balanced view of cash inflows and outflows and show 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's liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels.

3. GROUP FINANCIAL RISK AND CAPITAL MANAGEMENT CONTINUED

3.1 Group financial risk management continued

3.1.1 Financial instruments continued

(e) Interest rate risk and liquidity risk continued

	Weighted average effective interest rate %	Less than one month US$'000	One to twelve months US$'000	Total US$'000
31 December 2019				
Financial assets				
Variable interest rate instruments	1.32	162,360	110,790	273,149
Non-interest bearing	–	57,853	–	57,853
		220,213	110,790	331,003
Financial liabilities				
Non-interest bearing	–	57,567	–	57,567
		57,567	–	57,567
31 December 2018				
Financial assets				
Variable interest rate instruments	2.13	25,654	248,296	273,950
Non-interest bearing	–	41,421	–	41,421
		67,075	248,296	315,371
Financial liabilities				
Non-interest bearing	–	39,220	–	39,220
		39,220	–	39,220

(f) 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 creditworthy 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, the refiner Asahi Refining Canada Ltd, but the Group has a good credit check on its customer and none of the trade receivables from the customer has been past due. Also, the cash balances held in all currencies are held with financial institutions 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.

(g) 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.

(h) 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).

	2019			
	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Financial assets at fair value through profit or loss	6,454	–	–	6,454

	2018			
	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Financial assets at fair value through profit or loss	–	–	–	–

There were no financial assets or liabilities subsequently measured at fair value on Level 3 fair value measurement bases.

(i) Ore reserves

The following disclosure provides information to help users of the financial statements understand the judgments made about the future and other sources of estimation uncertainty. The key sources of estimation uncertainty described in note 1.3.4 above and the range of possible outcomes are described more fully below.

Depreciation of capitalised underground mine development costs

Depreciation of capitalised underground mine development costs at the Sukari Gold Mine is based on reserve estimates. Management and Directors believe that these estimates are both realistic and conservative, based on current information. The analysis is based on the assumption that the reserve estimate has increased/decreased by 10% with all other variables held constant.

	Decrease by 10% US$'000	31 December 2019 US$'000	Increase by 10% US$'000
Amortisation of rehabilitation asset (within mine development properties)	(910)	**(819)**	(737)
Amortisation of mine development properties (remainder)	(44,804)	**(40,323)**	(36,291)
Mine development properties – net book value	284,600	**289,171**	293,285
Property, plant and equipment – net book value	800,146	**804,717**	808,831

3.2 Capital management

3.2.1 Risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders; and
- maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to owners of the parent, return capital to owners of the parent or issue new shares.

3.2.2 Dividends to owners of the parent

	31 December 2019 US$'000	31 December 2018 US$'000
Ordinary shares		
Final dividend for the year ended 31 December 2018 of 3.0 US cents per share (2017: 10 US cents per share)	**34,672**	115,629
Interim dividend for the year ended 31 December 2019 of 4.0 US cents per share (2018: 2.5 US cents per share)	**46,357**	28,938
Total dividends provided for or paid	**81,029**	144,567
Dividends to owners of the parent:		
Paid in cash	**81,029**	144,567

4. GROUP STRUCTURE

4.1 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 2019 %	31 December 2018 %
Centamin Egypt Limited	Australia(2)	100	100
Pharaoh Gold Mines NL (holder of an Egyptian branch)	Australia(2)	100	100
Sukari Gold Mining Company	Egypt(4)	50	50
Centamin West Africa Holdings Limited	UK(3)	100	100
Sheba Exploration Limited (holder of an Ethiopia branch)	UK(3)	100	100
Sheba Exploration Holdings Limited(1)	UK(3)	100	100
Centamin Group Services Limited	Jersey(8)	100	100
Centamin Holdings Limited	Jersey(8)	100	100
MHA Limited	Jersey(8)	100	–
Centamin Limited	Bermuda(7)	100	100
Ampella Mining Limited	Australia(2)	100	100
Ampella Mining Gold SARL	Burkina Faso(5)	100	100
Ampella Mining SARL	Burkina Faso(5)	100	100
Ampella Mining Côte d'Ivoire	Côte d'Ivoire(6)	100	100
Centamin Côte d'Ivoire	Côte d'Ivoire(6)	100	100
Ampella Mining Exploration CDI	Côte d'Ivoire(6)	100	100
Centamin Exploration CI	Côte d'Ivoire(6)	100	100
Ampella Resources Burkina Faso	Burkina Faso(5)	100	100
Konkera SA	Burkina Faso(5)	90	90

(1) Previously Sheba Exploration (UK) plc.

(2) Address of all Australian entities: Suite 8, 7 The Esplanade, Mount Pleasant, WA 6153.

(3) Address of all UK entities: Hill House, 1 Little New Street, London, EC4A 3TR.

(4) Address of all Egypt entities: 361 El-Horreya Road, Sedi Gaber, Alexandria, Egypt.

(5) Address of all Burkina Faso entities: Ampella Resources Burkina Faso: 11 BP 1974 Ouaga 11. Ampella Mining SARL: 01 BP 1621 Ouaga 01. Ampella Mining Gold SARL: 11 BP 1974 CMS 11 Ouaga 11. Konkera SA: 11 BP 1974 Ouaga CM11.

(6) Address of all Côte d'Ivoire entities: 20 BP 945 Abidjan 20.

(7) Address of Bermuda entity: Appleby Corporate Services (Bermuda) Ltd, Canon's Court, 22 Victoria Street, Hamilton HM EX, Bermuda.

(8) Address of all Jersey entities: 2 Mulcaster Street, St Helier, Jersey JE2 3NJ.

Through its wholly owned subsidiary, PGM, the Company entered into the Concession Agreement with EMRA and the ARE granting PGM and EMRA the right to explore, develop, mine and sell gold and associated minerals in specific concession areas located in the Eastern Desert of Egypt. The Concession Agreement came into effect under Egyptian law on 13 June 1995.

In 2005 PGM, together with EMRA, were granted an exploitation lease over 160km^2 surrounding the Sukari Gold Mine 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 had not recovered its cost and, accordingly, no EMRA entitlement had been recognised at that date. During 2016, payments to EMRA commenced as advance profit share distributions. Any payment made to EMRA pursuant to these provisions of the Concession Agreement are recognised as dividend paid to the non-controlling interest in SGM.

4.2 Joint arrangements

The consolidated entity has an interest in the following joint arrangement:

	Percentage interest	
Name of joint operation	**31 December 2019 %**	**31 December 2018 %**
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 this joint operation.

ACCOUNTING POLICY: 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 1.3.1).

5. UNRECOGNISED ITEMS

5.1 Contingent liabilities and contingent assets

Contingent liabilities

Fuel supply

As set out in note 2.8, in January 2012, the Group received a letter from Chevron to the effect that Chevron would only be able to supply DFO (Diesel Fuel Oil) 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 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, for EGP403 million (approximately US$25.3 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. 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, 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 has received an unfavourable State Commissioner's report in the case; however, the report is non-binding and the Group's legal advisers remain of the view that the Group has a strong case. 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 action 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$362.9 million. Refer to note 2.8 of these financial statements for further details on the impact of this provision on the Group's results for 31 December 2019.

No provision has been made in respect of the historical subsidies prior to January 2012 as, based on legal advice, the Company believes that, notwithstanding the unfavourable State Commissioner's report, the prospects of a court finding in its favour in relation to this matter remain very strong.

5. UNRECOGNISED ITEMS CONTINUED

5.1 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 and Centamin's wholly owned subsidiary Pharaoh Gold Mines NL, 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 in the first instance.

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 was underway.

EMRA lodged its own appeal in relation to this matter on 27 November 2012, the day after the Company's appeal was lodged, supporting the Group's view 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 the Group's investment at Sukari and the government's desire to stimulate further investment in the Egyptian mining industry.

The Supreme Administrative Court has stayed the Concession Agreement appeal until the Supreme Constitutional Court has ruled on the validity of Law no. 32 of 2014. Law no. 32 of 2014 restricts the capacity for third parties to challenge contractual agreements 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 ("SCC"). During Q2 2017, the SCC re-referred the case to the State Commissioner to prepare a complementary report to an initial report provided by the State Commissioner in Q1 2017 which found Law no. 32 to be unconstitutional. The State Commissioner's report and complementary report are advisory and non-binding on the SCC. The Company continues to believe that it has a strong legal position and that in the event that the SCC rules that Law no. 32 is invalid, the Group remains confident that its own appeal will be successful on the merits.

The Company does not yet know when the appeal will conclude, although it is aware of the potential for the process in Egypt to be lengthy. 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 160km^2 lease. 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 case is heard.

Other contingent assets

There were no other contingent assets at year end (31 December 2018: nil).

5.2 Dividends per share

The dividends paid in 2019 were US$81,029,238 and are reflected in the consolidated statement of changes in equity for the year (2018: US$144,567,233).

Given the unprecedented global situation with COVID-19, regulators, governments and public health authorities have issued varying directives which have impacted the timing and structure of annual general meetings ("AGM"). As such the opportunity for shareholders to approve the proposed 2019 final dividend cannot go ahead with the previously announced timetable.

After much consideration, and in order to ensure the dividend payment could be made to shareholders on 15 May 2020, the Board resolved on 21 April 2020 to declare a 2020 first interim dividend to replace the 2019 final dividend. The 2020 first interim dividend was for 6 US cents per share (US$69.4 million), the same quantum as the previously proposed 2019 final dividend (announced on 14 January 2020), and was not subject to shareholder approval.

The Board acknowledge the importance of the governance framework, which allows shareholders to exercise their voting right to approve a final dividend. And since introducing the Centamin dividend policy, the final dividend has received in excess of 99% of votes in favour.

The Company's obligations as a dual listed company on the London Stock Exchange (LSE) and Toronto Stock Exchange (TSX) were thoroughly considered and declaring a 2020 first interim to replace the previously proposed 2019 final dividend was considered the best option for shareholders. This is an exceptional circumstance and will not impact future dividend distributions, in line with the Company's dividend policy. These financial statements do not reflect this dividend payable.

As announced on 9 January 2017, the update to the Company's dividend policy sets a minimum payout level relative to cash flow while considering the financial condition of, and outlook for, the Company. When determining the amount to be paid, the Board will take into consideration the underlying profitability of the Company and significant known or expected funding commitments. Specifically, the Board will aim to approve an annual dividend of at least 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.

5.3 Subsequent events

As referred to in note 5.2, subsequent to the year end, the Board have resolved to declare a 2020 first interim dividend to replace the 2019 final dividend. The 2020 first interim dividend for 6 US cents per share (US$69.4 million), the same quantum as the previously proposed 2019 final dividend (announced on 14 January 2020), was not subject to shareholder approval and was paid on 15 May 2020 to shareholders.

The outbreak of the coronavirus COVID-19 will likely have an impact on the Group as well as on supply chain and production. Considering that the spread of the virus accelerated during the first quarter of 2020 and its impact as at 31 December 2019 was minimal, this event was classified as a non-adjusting event for accounting purposes. Given the uncertainties on scope and length as well as the ongoing developments, the Group cannot give any accurate or reliable estimates on potential quantitative impacts currently. This may result in an overall challenged and volatile market environment. The assessment on the ability of the Group to operate as going concern is disclosed under note 1.3.7.

There were no other significant events occurring after the reporting date requiring disclosure in the financial statements.

6. OTHER INFORMATION

6.1 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 4.1.

Equity interest in associates and jointly controlled arrangements

Details of interests in joint ventures are disclosed in note 4.2.

6. OTHER INFORMATION CONTINUED

6.1 Related party transactions continued

(b) 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 is set out below:

	31 December 2019 US$	31 December 2018 US$
Short term employee benefits	5,906,929	5,731,721
Post-employment benefits	7,311	7,969
Share-based payments	1,919,602	2,398,039
	7,833,841	8,137,729

(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 2019 are as follows:

31 December 2019	Balance at 1 January 2019	Granted as remuneration ("DBSP")	Granted as remuneration ("PSP")	Net other change – share plan lapse[(1)]	Net other change[(2)]	Balance at 31 December 2019
J El-Raghy[(3)]	10,500,000	–	–	–	–	10,500,000
A Pardey	3,789,268	–	777,000	(414,000)	–	4,152,268[(4)]
R Jerrard	1,805,000	–	617,000	(525,000)	–	1,897,000[(4)]
G Haslam	127,056	–	–	–	–	127,056
M Arnesen	49,000	–	–	–	–	49,000
M Bankes	190,000	–	–	–	–	190,000
S Eyre	–	–	–	–	–	–
M Cloete	–	–	–	–	15,000	15,000
C Farrow	–	–	–	–	–	–
A Baker	–	–	–	–	–	–
I Fawzy	–	–	–	–	–	–
Y El-Raghy	763,662	–	114,000	(84,000)	–	793,662[(4)]
J Langford	–	–	905,000	–	–	905,000[(4)]
M Morcombe	880,000	–	–	(880,000)	–	–
J Singleton	–	–	546,000	–	–	546,000[(4)]
N Bailie	316,000	–	197,000	–	–	513,000[(4)]
M Smith	799,334	–	190,000	(162,000)	–	827,334[(4)]
A Carse	216,336	–	169,000	–	–	385,336[(4)]
D Le Masurier	576,000	–	127,000	(96,000)	–	607,000[(4)]
H Brown	142,500	–	–	(36,000)	(24,000)	82,500[(4)]
R Nel	120,000	–	110,000	–	–	230,000[(4)]

(1) "Net other change – share plan lapse" relates to awards that have lapsed due to the full performance conditions not being met on the 2016 grant.

(2) "Net other change" relates to the on-market acquisition or disposal of fully paid ordinary shares.

(3) Includes shareholdings attributable to the El-Raghy family.

(4) Balance includes unvested grants under the Company's performance share plan.

Since 31 December 2019 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 2018 are as follows:

31 December 2018	Balance at 1 January 2018	Granted as remuneration ("DBSP")	Granted as remuneration ("PSP")	Net other change[1]	Balance at 31 December 2018
J El-Raghy[2]	10,500,000	–	–	–	10,500,000
A Pardey	3,099,268	–	640,000	50,000	3,789,268
R Jerrard	1,295,000	–	510,000	–	1,805,000
G Haslam	102,056	–	–	25,000	127,056
M Arnesen	49,000	–	–	–	49,000
M Bankes	150,000	–	–	40,000	190,000
A Baker	–	–	–	–	–
I Fawzy	–	–	–	–	–
Y El-Raghy	678,753	–	130,000	(45,091)	763,662
M Morcombe	–	150,000	730,000	–	880,000
R Marshall	–	–	–	–	–
N Bailie	166,000	–	150,000	–	316,000
M Smith	702,667	–	230,000	(133,333)	799,334
A Carse	–	–	210,000	6,336	216,336
D Le Masurier	547,000	–	150,000	(121,000)	576,000
H Brown	316,000	–	–	(173,500)	142,500
R Nel	–	–	120,000	–	120,000

(1) "Net other change" relates to the on-market acquisition or disposal of fully paid ordinary shares.

(2) Includes shareholdings attributable to the El-Raghy family.

(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 transactions for the year ended 31 December 2019 are summarised below:

- salaries, superannuation contributions, bonuses, LTIs, consulting and Directors' fees paid to Directors during the year ended 31 December 2019 amounted to US$3,507,050 (31 December 2018: US$3,951,939); and
- Josef El-Raghy is a Director and shareholder of El-Raghy Kriewaldt Pty Ltd ("El-Raghy Kriewaldt"). El-Raghy Kriewaldt provided office premises to the Company. All dealings with El-Raghy Kriewaldt are in the ordinary course of business and on normal terms and conditions. Rent and office outgoings paid to El-Raghy Kriewaldt during the period were AUDnil or US$nil (31 December 2018: AUD26,100 or US$21,013), this lease ended in May 2018.

6. OTHER INFORMATION CONTINUED

6.1 Related party transactions continued

(f) Transactions with the government of Egypt

Royalty costs attributable to the government of Egypt of US$19,700,850 (2018: US$18,396,045) were incurred in 2019. Profit share to EMRA of US$87,075,000 (2018: US$76,390,698) was incurred in 2019.

(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 the consolidated financial statements of the Group.

6.2 Contributions to Egypt

(a) Gold sales agreement

On 20 December 2016, SGM entered into a contract with the Central Bank of Egypt ("CBE"). The agreement provides that the parties may elect, on a monthly basis, for the CBE to supply SGM with its local Egyptian currency requirements for that month (to a maximum value of EGP50 million). In return, SGM facilitates the purchase of refined gold bullion for the CBE from SGM's refiner, Asahi Refining Canada Ltd. This transaction has been entered into as SGM requires local currency for its operations in Egypt (it receives its revenue for gold sales in US dollars). Twenty-six transactions have been entered into at the date of this report, twelve of which in the current year, pursuant to this agreement, and the values related thereto are as follows:

	31 December 2019 US$'000	31 December 2018 US$'000
Gold purchased	35,641	33,821
Refining costs	19	20
Freight costs	53	48
	35,713	33,889

	31 December 2019 Oz	31 December 2018 Oz
Gold purchased	25,721	26,621

At 31 December 2019 the net payable in EGP owing to the Central Bank of Egypt is approximately the equivalent of US$30,893 (2018: US$40,618 net receivable owing from CBE).

(b) University grant

During the 2018 year, the Group together with Sami El-Raghy and the University of Alexandria Faculty of Science initiated a sponsored scholarship agreement, the Michael Kriewaldt Scholarships to outstanding geology major students to enrol at the postgraduate research programme of the geology department of the university for their MSc and/or PhD in mining and mineral resources. EGP10,000,000, EGP7,330,000 by PGM and EGP2,670,000 by Sami El-Raghy, was deposited in a fixed deposit account of which the interest earned will be put towards the cost of the scholarships and will be administered by the University on the conditions set out in the agreement. This amount has been expensed under donations expense in profit and loss.

6.3 Share-based payments

Performance share plan

The Company's shareholder approved performance share plan ("PSP") 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.

The awards due to be granted in June 2020 will vest following the passing of three years. Vesting will be subject to the satisfaction of the performance conditions (and for Executive Directors a full two-year post-vesting holding period). Awards will vest based upon a blend of three year relative TSR, cash flow and production targets, full details of which are set out in the Directors' Remuneration Report. These 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.

To date, the Company has granted the following conditional awards to employees of the Group:

June 2016 awards

Of the 4,999,000 awards granted on 4 June 2016 under the PSP, 1,232,400 awards vested to 20 eligible participants on 4 June 2019, half of which are subject to a two-year holding period, based on the following performance criteria:

- 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 mineral reserve replacement and growth;
- 20% of the award shall be assessed by reference to compound growth in EBITDA; and
- 30% of the award shall be assessed by reference to compound growth in gold production.

June 2017 awards

Of the 3,459,000 awards granted on 4 June 2017 under the PSP, 2,511,000 awards remain granted to eligible participants (30 in total) applying the following performance criteria:

- 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 mineral reserve replacement and growth;
- 20% of the award shall be assessed by reference to compound growth in Adjusted EBITDA; and
- 30% of the award shall be assessed by reference to compound growth in gold production.

June 2018 awards

Of the 4,908,000 awards granted on 27 June 2018 under the PSP, 3,307,000 awards remain granted to eligible participants (33 in total) applying the following performance criteria:

- 40% of the award shall be assessed by reference to a target total shareholder return;
- 20% of the award shall be assessed by reference to compound growth in Adjusted EBITDA; and
- 40% of the award shall be assessed by reference to compound growth in gold production.

6. OTHER INFORMATION CONTINUED

6.3 Share-based payments continued

Performance share plan continued

June 2019 awards

Of the 4,845,000 awards granted on 14 June 2019 under the PSP, 4,003,000 awards remain granted to eligible participants (17 in total) applying the following performance criteria:

- 50% of the award shall be assessed by reference to a target total shareholder return;
- 25% of the award shall be assessed by reference to compound growth in adjusted free cash flow; and
- 25% of the award shall be assessed by reference to compound growth in gold production.

Conditional share awards and options together constitute "awards" under the plan and those in receipt of awards are "award holders".

A detailed summary of the scheme rules is set out in the 2019 AGM proxy materials which are available at www.centamin.com. In brief, 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. 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 awarded to certain participants, 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.

Performance share plan awards granted during the period:

Grant date	PSP 2019 14 June 2019
Number of instruments	2,413,000
TSR: fair value at grant date GBP[(1)(2)]	0.53
TSR: fair value at grant date US$[(1)(2)]	0.67
Adjusted free cash flow and gold production: fair value at grant date GBP[(1)(2)]	0.94
Adjusted free cash flow and gold production: fair value at grant date US$[(1)(2)]	1.19
Vesting period (years)	3
Holding period applicable to 50% of the award (years)[(2)]	2
Expected volatility (%)	44.85
Expected dividend yield (%)	–
Number of instruments	2,432,000
TSR: fair value at grant date GBP[(1)]	0.61
TSR: fair value at grant date US$[(1)]	0.77
Adjusted free cash flow and gold production: fair value at grant date GBP[(1)]	1.09
Adjusted free cash flow and gold production: fair value at grant date US$[(1)]	1.38
Vesting period (years)	3
Holding period applicable to 50% of the award (years)	–
Expected volatility (%)	44.85
Expected dividend yield (%)	–

(1) The vesting of 50% of 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 payments', 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 50% of the awards are subject to adjusted free cash flow 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 GBP:US$ foreign exchange rate on that day.

(2) A discount for lack of marketability has been applied to account for the decrease in value of the award by reason of the two year holding period restriction.

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 Employee Loan Funded Share Plan ("ELFSP") and to the majority of the beneficiaries of the options granted under the Employee Option Scheme ("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.

There were no DBSP awards granted during the period.

ACCOUNTING POLICY: 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. A discount for lack of marketability has been applied to account for the decrease in value of the award by reason of the two year holding period restriction. 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.

Share-based payments

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 above. 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.

6. OTHER INFORMATION CONTINUED

6.4 Earnings per share ("EPS") attributable to owners of the parent

	31 December 2019 US cents per share	31 December 2018 US cents per share
Basic earnings per share	7.588	6.497
Diluted earnings per share	7.535	6.444

Basic earnings per share attributable to owners of the parent

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

	31 December 2019 US$'000	31 December 2018 US$'000
Earnings used in the calculation of basic EPS	87,463	74,845

	31 December 2019 Number	31 December 2018 Number
Weighted average number of ordinary shares for the purpose of basic EPS	1,152,715,180	1,151,925,674

Diluted earnings per share attributed to owners of the parent

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

	31 December 2019 US$'000	31 December 2018 US$'000
Earnings used in the calculation of diluted EPS	87,463	74,845

	31 December 2019 Number	31 December 2018 Number
Weighted average number of ordinary shares for the purpose of basic EPS	1,152,715,180	1,151,925,674
Shares deemed to be issued for no consideration in respect of employee options	8,011,425	9,589,301
Weighted average number of ordinary shares used in the calculation of diluted EPS	1,160,726,605	1,161,514,975

No potential ordinary shares were excluded from the calculation of weighted average number of ordinary shares for the purpose of diluted earnings per share.

6.5 Auditors' remuneration

The analysis of the auditors' remuneration is as follows:

	31 December 2019 US$'000	31 December 2018 US$'000
Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements	469	370
Fees payable to the Company's auditors and their associates for other services to the Group		
– the audit of the Company's subsidiaries	74	95
– regulatory enquiries	–	78
Total audit fees	543	543
Non-audit fees:		
Audit related assurance services – interim review	112	104
Other assurance services	–	9
Risk management and advisory services	154	53
Other services	38	1
Total non-audit fees	304	167

The Audit and Risk Committee and the external auditors have safeguards in place to avoid the possibility that the auditors' objectivity and independence could be compromised. These safeguards include the implementation of a policy on the use of the external auditors 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 auditors 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.

6.6 General information

Centamin plc (the "Company") is a listed public company, incorporated and domiciled in Jersey and operating through subsidiaries and jointly controlled entities operating in Egypt, Burkina Faso, Côte d'Ivoire, 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 Governance Report and the Strategic Report of the Annual Report.

6. OTHER INFORMATION CONTINUED

6.7. 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. All financial statements presented in US$ have been rounded to the nearest thousand dollars, unless otherwise stated.

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as 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 2019, the Companies (Jersey) Law 1991. 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 financial assets at fair value through other comprehensive income, and financial assets and financial liabilities (including derivative) instruments at fair value through profit or loss.

The consolidated financial statements for the year ended 31 December 2019 were authorised by the Board of Directors of the Company for issue on 18 May 2020.

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.

SGM is jointly owned by PGM and EMRA on a 50% 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 1.3.1 and 4.1) 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 as profit attributable to non-controlling interest in SGM and the statement of financial position as Equity attributable to the non-controlling interest in SGM, 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, the provisions of which are described more fully below, whilst PGM is responsible for funding SGM's activities, PGM is also entitled to recover the following costs and expenses payable from sales revenue (excluding the royalty payable to the 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% of SGM's net production surplus which is defined as 'revenue less payment of the fixed royalty to ARE and recoverable costs'. However, in accordance with the terms of the Concession Agreement, in the first and second years in which there is a profit share, PGM will be entitled to an additional 10% of net production surplus and an additional 5% in the third and fourth years. Any payment made to EMRA pursuant to these provisions of the Concession Agreement will be recognised as a dividend paid to non-controlling interest in SGM in the statement of changes in equity of Centamin.

Going concern

These financial statements for the year ended 31 December 2019 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 5.1, the operation of the mine has been affected by two legal actions. The first of these followed from a decision taken by Egyptian General Petroleum Corporation ("EGPC") to charge international, not local (subsidised) prices for the supply of DFO, and the second arose as a result of a judgment of the Administrative Court of first instance in relation to, amongst other matters, the Company's 160km^2 exploitation lease. In relation 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 it may take some time. 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 were 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 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.

SUPPLEMENTARY INFORMATION

MINERAL RESOURCE AND RESERVE STATEMENTS

Please refer to the mineral reserves and resources tables below for details regarding Mineral Reserve and Resource estimation, including classification, key assumptions, parameters, methods used, data verification procedures and associated risks.

CONSOLIDATED GROUP MINERAL RESOURCE ESTIMATE ("MRE")

The Mineral Resource data presented in the tables included in this document comprise a summary extract for the Mineral Resource reports for all the Group's properties. For comparative purposes, data for 2018 has been included where possible. Numbers have been rounded and therefore there may be small differences in the totals. Varying cut-off grades have been clearly stated.

The Group Measured and Indicated Resources are 15.3 million ounces of gold with the addition of approximately 3.4 million ounces of gold in the Inferred category. The Mineral Resources were estimated using a gold price assumption of US$1,900/oz at Sukari Gold Mine in Egypt and to a maximum vertical depth of 250 metres at both the Doropo Project and ABC Projects in Côte d'Ivoire.

The 2020 exploration programme has budgeted for 170,000 metres of diamond drilling, focusing on reserve replacement, near-term resource growth, long-term resource definition and new life of mine target generation, including:

- Sukari 2020 exploration programme is underway, targeting a minimum of underground reserve replacement
- Batie West Project in Burkina Faso is under project review and an updated study is targeted for Q4 2020
- Doropo Project studies are targeted for H1 2021, following a further resource update by the end of 2020 including the new Kilosegui discovery
- ABC Project resource update is targeted for the end of 2020

Centamin is closely monitoring the global COVID-19 pandemic and the Company guidance may be impacted if the workforce, operation or projects are disrupted due to the virus or efforts to slow the spread of the virus.

The global MRE estimated at the end of June 2018 was unconstrained. The reduction of 0.7Moz is accounted for by a combination of mineral resource growth from exploration, mining depletion during the year and the use of a pit shell to partially constrain the Mineral Resource Estimate as follows:

- H&S Consultants PTY Ltd completed the open pit MIK MRE for Sukari as at the end of June 2019. The estimates are reported below the end of June 2019 mined surface and within a pit shell generated by Cube Consulting using a nominal gold price of US$1900/oz. A cut-off grade of 0.3 g/t gold is used for reporting the open pit MRE because this is the nominal economic open-pit cut-off grade used at the Sukari mine.
- Cube Consulting Pty Ltd (Cube) completed the estimation of the Sukari Gold Mines Underground Mineral Resource as at the end of June 2019. All UG mineral resources defined below the USD $1,900/oz shell are estimated using the economic underground cut-off grade of 2.0 g/t and are combined with the open pit MRE to provide a global MRE for Sukari. The global mineral resource estimate includes the underground resource estimate.

The significant figures used in the table are intended to reflect the level of accuracy of the different resource classifications reported; figures in the table may not add correctly due to rounding.

		2019			2018		
	Category	Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)	Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)
Sukari Gold Mine	Measured	248	1.05	8.21	254	0.99	8.02
(open pit: 0.3g/t cut-off; underground 2.0g/t cut-off)	Indicated	74	0.88	2.11	104	0.89	2.98
	M+I	321	1.01	10.3	358	0.96	11
	Inferred	12	1.49	0.59	34	0.8	0.88
Doropo Project	Measured	5.2	1.52	0.26	–	–	–
(0.5g/t cut-off)	Indicated	56.1	1.21	2.18	50	1.31	2.13
	M+I	61.3	1.22	2.4	50	1.31	2.13
	Inferred	30.1	1.1	1.04	19	1.3	0.8

	Category	2019 Tonnage (Mt)	2019 Grade (g/t)	2019 Gold Content (Moz)	2018 Tonnage (Mt)	2018 Grade (g/t)	2018 Gold Content (Moz)
ABC Prospect	Measured	–	–	–	–	–	–
(0.5g/t cut-off)	Indicated	20	1.03	0.65	20	1.03	0.65
	M+I	20	1.03	0.7	20	1.03	0.65
	Inferred	16	0.90	0.50	16	0.87	0.45
Batie West Project	Measured	–	–	–	–	–	–
(0.5g/t cut-off)	Indicated	34	1.7	1.92	34	1.7	1.92
	M+I	34	1.7	1.9	34	1.7	1.92
	Inferred	25	1.70	1.30	25	1.7	1.33
GROUP MINERAL RESOURCES	M+I	435	1.09	15.3	462	1.07	15.7
	Inferred	81	1.3	3.4	94	1.14	3.42

Resource Notes

- All open-pit Mineral Resources are estimates of recoverable tonnes and grades using Multiple Indicator Kriging with block support correction produced in the GS3 software.
- Sukari Gold Mine:
  - – Measured Resources lie in areas where drilling is available at a nominal 25 x 25 metre spacing, Indicated Resources occur in areas drilled at approximately 25 x 50 metre spacing and Inferred Resources exist in areas of broader spaced drilling
  - – The resource estimate extends over a strike length of 2.2 kilometres, a width of 440m and from current surface to a depth of 800m
  - – All available surface drilling and channel samples were used as at 18 July 2019, and longer underground production holes were included. The resource data set comprised 389,856 two metre down hole composites and surface rock chip samples
  - – The open pit Mineral Resource Estimates were adjusted to the mining surface and underground mining voids as at end of June 2019, and planned underground mining voids were excised to avoid double counting of underground Mineral Reserves
- Doropo Project
  - – Measured Resources occur in areas drilled at approximately 25 x 25 metre spacing and Indicated Resources occur in areas drilled at approximately 50 x 50 metre spacing. Inferred Resources exist in areas of broader spaced drilling.
  - – The reported estimates are limited to blocks with a maximum depth of 250 metres below surface and within 80 metres of drill hole data
  - – All available data was used as at 18 August 2019
  - – A cut-off grade of 0.5 g/t gold is used for reporting as it is believed that the majority of the reported resources can be mined at that grade.
- ABC Project
  - – Indicated Resources occur in areas drilled at approximately 50 x 50 metre spacing and Inferred Resources exist in areas of broader spaced drilling
  - – The reported estimates are limited to blocks with a maximum depth of 250 metres below surface and within 100 metres of drill hole data
  - – All available ABC data was used as at 10 December 2018
  - – A cut-off grade of 0.5 g/t gold is used for reporting as it is believed that the majority of the reported resources can be mined at that grade
- The Doropo and ABC resource data set includes RC and Diamond drill data and gold estimates are based on 50 grams Fire Assays completed at Bureau Veritas Mineral Laboratories, Abidjan.
- Batie West Project
  - – 2014 Konkera MRE was a geologically constrained estimate using 10m x 5m x 2.5m blocks with an associated block proportion coded into each block with a precision of +/-1%.
  - – Semi-variograms were generated for each mineralisation domain ranging from 50-95m along strike and 45-70m down dip. Search ellipses ranged from 70m x 60m x 10m to 60m x 50m x 5m with a maximum of 24 composites and a maximum of 3 composites per hole for any single block estimate.
  - – The classification methodology involved an unbiased allocation of block mode parameters into a quality of estimate (QLTY) measure for measured, indicated and inferred. Nominally Measured resources occur in areas drilled at approximately 25 x 25 metre spacing, Indicated Resources occur in areas drilled at approximately 50 x 50 metre spacing and Inferred Resources exist in areas of broader spaced drilling.
  - – The reported estimates are reported using a gold cut-off grade of 0.5 g/t
  - – All available data was used as at 1 February 2014.

MINERAL RESERVE ESTIMATE (SUKARI GOLD MINE ONLY)

The Mineral Reserve data presented in the tables included in this document, comprise a summary extract for the Sukari Gold Mine Mineral Reserve report. Currently all the Mineral Reserves are contained within the Sukari tenement. For comparative purposes, data for 2018 has been included. Numbers have been rounded and therefore there may be small differences in the totals.

Included in the Resources, the Mineral Reserves at 18 July 2019 were 7.0 million ounces of gold, all at the Sukari Gold Mine. The decrease from year-end 2018 is attributable to mining depletion in excess of Mineral Reserve additions, Mineral Resource changes and stope sterilisation. There was no change to the gold price assumption of US$1,300 per ounce for estimating Mineral Reserves. Based on the expected throughput rates, the remaining mineral reserve life of Sukari open pit operation is approximately 16 years and approximately five years for the underground, as of 31 December 2019.

		2019			2018		
	Category	Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)	Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)
Open pit	Proven	134.6	1.2	5.1	131.1	1.1	4.7
(0.4g/t cut-off)	Probable	29.0	1.0	0.9	43.1	1	1.5
	P & P	163.6	1.1	6.0	174.2	1.1	6.2
Underground	Proven	0.8	5.1	0.1	1.3	6.9	0.3
(3.0g/t cut-off)	Probable	3.2	4.6	0.5	3.2	5.2	0.5
	P & P	4.0	4.7	0.6	4.4	5.6	0.8
Stockpiles	Proven	20.9	0.5	0.3	16	0.5	0.2
(0.4g/t cut-off)	Probable	–	–	–	–	–	–
	P & P	20.9	0.5	0.3	16	0.5	0.2
SUKARI MINERAL RESERVE	P & P	188.4	1.1	7.0	194.6	1.2	7.25

Reserve Notes

- Open pit Mineral Reserve Estimate includes 7.5Mt at 0.4g/t for 0.1Moz gold, using a 0.2 g/t gold cut-off, for the dump leach
- Underground cut-offs for reporting are 0.4g/t gold for development with stopes defined within a 3.0g/t gold cut-off

QUALIFIED PERSON AND QUALITY CONTROL

Information of a scientific or technical nature in this document, including but not limited to the mineral reserve and resource estimates, was prepared by and under the supervision of Group Qualified Person(s) and independent Qualified Person(s) as below:

Sukari Gold Mine, Egypt

- Mineral Reserve (open pit) — Quinton de Klerk of Cube Consulting Pty Ltd
- Mineral Reserve (underground) — Adrian Ralph of Cube Consulting Pty Ltd
- Mineral Resource (open pit) — Arnold van der Heyden of H&S Consultants Pty Ltd
- Mineral Resource (underground) — Mark Zammit of Cube Consulting Pty Ltd

Doropo Project, Côte d'Ivoire — Rupert Osborn of H&S Consultants Pty Ltd

ABC Project, Côte d'Ivoire — Rupert Osborn of H&S Consultants Pty Ltd

Batie West Project, Burkina Faso — Don Maclean of Ravensgate Consultants Pty Ltd

A "Qualified Person" is as defined by the National Instrument 43-101 of the Canadian Securities Administrators. The named Qualified Person(s) have verified the data disclosed, including sampling, analytical, and test data underlying the information or opinions contained in this announcement in accordance with standards appropriate to their qualifications. Each Qualified Person consents to the inclusion of the information in this document in the form and context in which it appears.

Investors should be aware that the figures stated are estimates and no assurances can be given that the stated quantities of metal will be produced.

Mineral Resource Estimates contained in this document are based on available data as at:

- Sukari Gold Mine 18 July 2019
- Doropo Project 18 August 2019
- ABC Project 10 December 2018
- Batie West Project 26 March 2014

Varying cut-off grades have been used, and clearly marked, for calculating the mineral resource estimates at different Group properties, depending on the stage of project, maturity and ore type.

Norman Bailie
Group Exploration Manager

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 4.1 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 member's 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 re-appointed during that meeting. Each appointed Director shall retire from office at each annual general meeting and may, if willing to act, be re-appointed.

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 the 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 corporate body 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 2019 and those held by trustees pursuant to the Company's DBSP.

	As at 31 December 2019
Issued capital (including shares issued and held under the DBSP	1,155,9555,384
Total shares in issue under the DBSP	473,049

The issued capital of the Company at the date of this report is 1,155,955,384 ordinary shares.

Under the Company's shareholder approved Performance Share Plan, 1,232,400 ordinary shares of no par value were issued in 31 May 2019 to satisfy awards that vested during the year. The new ordinary shares rank pari passu with the Company's existing 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 notes 2.11 and 2.12 to the financial statements.

The Company was authorised by shareholders at the AGM in 2019 to purchase in the market up to 10% of the Company's issued shares, as permitted under the Company's Articles of Association. No shares were bought back under this authority during the year ended 31 December 2019. This standard authority is renewable annually and the directors will seek to renew this authority at the 2020 AGM. This current authority will expire on 30 June 2020.

Substantial shareholders

Based on shareholder disclosures and register analysis, 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 Guidance and Transparency Rules of the FCA ("DTRs"), in the issued share capital of Centamin in compliance with LR 9.8.6 (2):

Name	Shareholding	% holding
BlackRock Inc.	146,786,132	12.87
VanEck Inc.	121,559,822	10.66
Dimensional Fund Advisors	67,358,747	5.90
The Vanguard Group, Inc	46,092,855	4.04
Norges Bank Investment Mgt	37,194,956	3.26

Note to table:
Information as at 31 December 2019 based on registry analysis and information received by the Company from holders of notifiable interests and includes details of any notifications received by the Company pursuant to DTR 5 between the year end and the date of this report.

The substantial shareholders do not have any different voting rights to other shareholders. To the extent known to the Company:

- no person other than the substantial shareholders detailed above has an interest of 3% or more in the Company's capital;
- the Company is not aware of any persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company; and
- 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. There are no other disclosures to report under LR 9.8.4 R.

Dividend policy

Centamin updated its dividend policy in January 2017, as follows:

"The Company's dividend policy sets a minimum payout level relative to cash flow while considering the financial condition of, and outlook for, the Company. When determining the amount to be paid, the Board will take into consideration the underlying profitability of the Company and significant known or expected funding commitments. Specifically, the Board will aim to approve an annual dividend of at least 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 2019:

2019 interim dividend

An interim dividend of 4.0 US cents per share on Centamin plc ordinary shares (totalling approximately US$46.2 million) was declared on 31 July 2019. The interim dividend for the half-year period ending 30 June 2019 was paid on 27 September 2019 to shareholders on the register on the record date of 30 August 2019.

2019 final dividend (replaced with an interim dividend in 2020)

A final dividend of 6.0 US cents per share on Centamin plc ordinary shares (totalling approximately US$69.4 million) was proposed by the directors on 14 January 2020. As announced on 21 April 2020, the Board declared a 2020 first interim dividend of 6 US cents per share (US$69.4 million) with a payment date of 15 May 2020, directly replacing the previously proposed 2019 final dividend (6 US cents per share) to provide shareholders with certainty and to expedite the payment.

COMPANY LEGAL FORM AND STRUCTURE CONTINUED

Company Legal form and structure

Company details

Centamin plc (LSE: CEY, TSX: CEE)
ISIN: JE00B5TT1872
LEI: 213800PDI9G7OUKLPV84
Company number: 109180

Summary table of dividends declared by Centamin plc

		2020	2019	2018	2017
Interim	Declared on:		31 July 2019	2 August 2018	3 August 2017
	Amount:		4.0 US cents per share	2.5 US cents per share	2.5 US cents per share
	Paid on:		27 September 2019	28 September 2018	29 September 2017
	Total		Approximately US$46.2 million	Approximately US$28.9 million	Approximately US$28.8 million
Final	Proposed on:	21 April 2020 (interim in lieu of final dividend)	14 January 2020 (final dividend)	25 February 2019	31 January 2018
	Declared on:	21 April 2020	Final dividend replaced by interim dividend in 2020.	8 April 2019	26 March 2018
	Amount:	6.0 US cents per share		3 US cents per share	10 US cents per share
	Paid on:	15 May 2020		13 May 2019	6 April 2018
	Total:	Approximately US$69.4 million		Approximately US$34.6 million	Approximately US$115 million

ANNUAL GENERAL MEETING

To protect the health and wellbeing on our employees, communities and shareholders, and in accordance with the UK and Jersey Government and public health guidance on COVID-19, the Centamin Board of Directors asks shareholders not to physically attend the AGM this year. Shareholders are encouraged to complete and submit their votes on-line and to submit any questions to the registrar in advance of the AGM which will be held on 29 June 2020, in Jersey. Unless restrictions have been lifted by then, shareholders will not be able to attend in person but will be offered the opportunity to listen to formal business of the AGM through remote communications.

The 2019 Annual Report and Accounts and Notice of AGM will be mailed to shareholders in May. Details will also be available on the Company's website, www.centamin.com

Indicative financial calendar

Event	Date
Annual General Meeting	29 June 2020
Q1 2020 preliminary production results	21 April 2020
Q2 2020 preliminary production results	13 July 2020
Results for the Half year	4 August 2020
Q3 2020 preliminary production results	15 October 2020

SHAREHOLDER INFORMATION
ADVISERS

Registrar services

Jersey, Channel Islands

Computershare Investor Services (Jersey) Plc
Queensway House
Hilgrove Street
St Helier
Jersey JE1 1ES

Canada

Computershare
100 University Avenue
8th Floor
Toronto
On M5J 2Y1

Public Relations

Buchanan

107 Cheapside
London
EC2V 6DN
Telephone: +44 (0)20 7466 5000

Broker

BMO Capital Markets

95 Queen Victoria Street
London
EC4V 4HG
Telephone: +44 (0)20 7236 1010

Auditor

PricewaterhouseCoopers LLP

1 Embankment Place
London
WC2N 6RH
Telephone: +44 (0)20 7583 5000

SHAREHOLDER INFORMATION
GLOSSARY

2018 Code	the 2018 UK Corporate Governance Code published by the FRC
2020 AGM	the annual general meeting of the Company held in 2020
AISC	all-in sustaining costs
ARC	the Audit and Risk Committee
ARE	Arab Republic of Egypt
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
CBE	Central Bank of Egypt
CGU	Cash Generating Unit
CGC	the Compliance and Governance Committee
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
E&E	exploration and evaluation
EGPC	The Egyptian General Petroleum Corporation
	employee loan funded share plan
EMRA	Egyptian Mineral Resource Authority
EOS	employee option scheme
EPS	earnings per share
FCA	Financial Conduct Authority
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
Framework	Group's risk management framework
FRC	Financial Reporting Council
FVLCD	fair value less costs to dispose
FVOCI	fair value through other comprehensive income
GAIP	gradient array induced polarisation
grade	relative quantity or the percentage of ore mineral or metal content in an orebody
g/t	gram per metric tonne
HSES	the Health, Safety, Environmental and Sustainability Committee
IFRS	International Financial Reporting Standards
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

JORC	Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and the Minerals Council of Australia
LOM	Life of Mine
LTIs	lost time 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
MRC	Main Resource Cluster
Mt	million tonnes
Mtpa	million tonnes per annum
NCI	non-controlling interest
net production surplus or profit share	revenue less payment of the 3% royalty to ARE and recoverable costs
Nom	the Nomination Committee
open pit	large scale hard rock surface mine
ore	mineral deposit that can be extracted and marketed profitably
orebody	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
PSP	performance share plan (formerly the restricted share plan)
R&R	resources and reserves
REM	the Remuneration Committee
SGM	Sukari Gold Mine
Section 172	Directors duties per Companies Act 2006
TSF1	existing, active tailings storage facility
TSF2	under construction, second tailings storage facility
TSR	total shareholder return

FORWARD-LOOKING STATEMENTS

This report contains certain looking 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.

Qualified Person and Quality Control

Information of a scientific or technical nature in this document, including but not limited to the mineral reserve and resource estimates, was prepared by and under the supervision of Group Qualified Person(s) and independent Qualified Person(s) as below:

Sukari Gold Mine, Egypt

• Mineral Reserve (open pit)	Quinton de Klerk of Cube Consulting Pty Ltd
• Mineral Reserve (underground)	Adrian Ralph of Cube Consulting Pty Ltd
• Mineral Resource (open pit)	Arnold van der Heyden of H&S Consultants Pty Ltd
• Mineral Resource (underground)	Mark Zammit of Cube Consulting Pty Ltd
Doropo Project, Côte d'Ivoire	Rupert Osborn of H&S Consultants Pty Ltd
ABC Project, Côte d'Ivoire	Rupert Osborn of H&S Consultants Pty Ltd
Batie West Project, Burkina Faso	Don Maclean of Ravensgate Consultants Pty Ltd

A "Qualified Person" is as defined by the National Instrument 43-101 of the Canadian Securities Administrators.

The named Qualified Person(s) have verified the data disclosed, including sampling, analytical, and test data underlying the information or opinions contained in this announcement in accordance with standards appropriate to their qualifications. Each Qualified Person consents to the inclusion of the information in this document in the form and context in which it appears.

Investors should be aware that the figures stated are estimates and no assurances can be given that the stated quantities of metal will be produced.

Mineral resource estimates contained in this document are based on available data as at:

• Sukari Gold Mine	18 July 2019
• Doropo Project	18 August 2019
• ABC Project	10 December 2018
• Batie West Project	26 March 2014

Varying cut-off grades have been used, and clearly marked, for calculating the mineral resource estimates at different Group properties, depending on the stage of project, maturity and ore type.

Cautionary note regarding forward looking statements

There are risks associated with an investment in the shares of Centamin. Recipients of this presentation should review the risk factors and other disclosures regarding Centamin contained in the preliminary prospectus and subsequent Annual Reports and Management Discussion and Analysis reports of Centamin that have been filed with Canadian securities regulators and are available at www.sedar.com.

This report contains "forward-looking information" (or "forward-looking statements") which may include, but are not limited to, statements with respect to the future financial or operating performance of the Company, its subsidiaries and its projects (including the Sukari Gold Mine), the future price of gold, the estimation of mineral reserves and resources, the realisation of mineral reserve estimates, the timing and amount of estimated future production, revenues, margins, costs of production, capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of construction, costs and timing of future exploration, the timing for delivery of plant and equipment, requirements for additional capital, foreign exchange risk, government regulation of mining and exploration operations, environmental risks, reclamation expenses, title disputes or claims, insurance coverage and the timing and possible outcome of pending litigation and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "hopes", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking information involves and is subject to known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the actual results of current exploration activities and feasibility studies; assumptions in economic evaluations which prove to be inaccurate; fluctuations in the value of the United States dollar and the Canadian dollar relative to each other, to the Australian dollar and to other local currencies in the jurisdictions in which the Company operates; changes in project parameters as plans continue to be refined; future prices of gold and other metals; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes or slow downs and other risks of the mining industry; climatic conditions; political instability, insurrection or war; arbitrary decisions by governmental authorities; delays in obtaining governmental approvals or financing or in the completion of development or construction activities. Discovery of archaeological ruins of historical value could lead to uncertain delays in the development of the mine at Sukari.

As set out in the Strategic Report, at the date of this report, COVID-19 has significantly impacted the world, presenting an unprecedented medical, economic and social challenge. Centamin has been proactive in how it manages and mitigates the impacts within its control. As of 18 May 2020, Centamin has no recorded cases of COVID-19 on-site and has experienced no material disruption to operations, supply chain or gold shipments. The Company has, however, put in place contingency plans to deal with various possible disruption in the coming months.

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 information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking information contained herein is made as of the date of this announcement and the Company disclaims any obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking information or statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information or statements. Accordingly, readers should not place undue reliance on forward-looking statements.

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