CENTAMIN

Annual Report 2020

UNLOCKING THE POTENTIAL

OUR PURPOSE IS TO CREATE OPPORTUNITY FOR PEOPLE THROUGH RESPONSIBLE MINING

Centamin is an established 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 2020.

We operate the Sukari Gold Mine, Egypt's largest and first modern gold mine. As a first mover within Egypt, Centamin recognises the business and societal importance in building a responsible culture that values and supports people, creating opportunity through jobs, infrastructure, education, as well as developing our assets and delivering strong shareholder returns. We practise responsible mining activities and take pride in setting the example for our growing industry within Egypt.

2020 HIGHLIGHTS

OPERATIONAL

GOLD PRODUCTION
(ounces)

452,320oz

2019: 480,528oz

CASH COSTS OF PRODUCTION
(per ounces produced)

US$719/oz

2019: US$699/oz

ALL-IN SUSTAINING COSTS ("AISC")
(per ounces sold)

US$1,036/oz

2019: US$943/oz

GROUP MINERAL RESOURCE
(Moz)

14.3Moz

2019: 15.3Moz

2020 was a defining year for Centamin. Under the leadership and governance of a refreshed board and strengthened management team, the Company refocused its long-term strategy, delivering a three-year reset plan, framing significant cost-saving, productivity and efficiency initiatives, while remaining firmly committed to delivering sustainable shareholder returns.

SUSTAINABILITY

LOCAL PROCUREMENT
(% of total Sukari procurement)

61%

2019: 61%

WORKFORCE EMPLOYED LOCALLY TO OPERATION
(%)

95%

2019: 95%

LOCAL COMMUNITY INVESTMENT
(US$m)

US$2.0m

2019: US$0.6m

SUKARI CO_2 EQUIVALENT EMISSIONS
(CO_2-e Scope 1 & 2)

0.54Mt

2019: 0.44Mt

FINANCIAL

TOTAL REVENUE
(US$m)

US$829m

2019: US$652m

BASIC EPS
(US cents per share)

13.53CENTS

2019: 7.59 cents

EBITDA MARGIN
(%)

53%

2019: 43%

TOTAL DIVIDEND [1]
(US$m)

US$104m

2019: US$116m

PROFIT AFTER TAX
(US$m)

US$315m

2019: US$173m

CASH AND LIQUID ASSETS
(US$m)

US$310m

2019: US$349m

FREE CASH FLOW
(US$m)

US$142m

2019: US$74m

(1) Attributable to the financial year and final dividend is subject to shareholder approval

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CAPITAL ALLOCATION FRAMEWORK
P55

> CENTAMIN'S AMBITION IS TO BE THE PREMIUM LONDON LISTED GOLD COMPANY, MAXIMISING SHAREHOLDER VALUE THROUGH RESPONSIBLE MINING MULTIPLE HIGH-QUALITY, LONG-LIFE ASSETS.

A GLANCE AT WHAT'S COVERED

IN THIS REPORT

COVID-19 RESPONSE
P44

OUR STRATEGIC FRAMEWORK

OUR PURPOSE

Creating opportunity for people through responsible mining.

We recognise we have an important part to play in shaping the future of our stakeholders, particularly operating in developing countries where the local population may not have the same access to resources. Our purpose directs our decisions and actions towards supporting wider society.

What **'Our Purpose'** means for our stakeholders

EMPLOYEES & CONTRACTORS

Providing a safe and healthy workplace, offering skilled training and career development

GOVERNMENTS & COMMUNITIES

Further to honouring our contractual commitments to governments, we are committed to leaving a strong legacy for the benefit of our local, regional and national hosts

SHAREHOLDERS

Rewarding our shareholders through our industry-leading dividend distributions and maintaining a strong social and environmental licence to operate

SUPPLIERS & REFINERS

Committed to building long-term relationships that deliver mutual benefits to all parties, with a focus on supporting and developing local businesses

READ MORE ABOUT UNDERSTANDING OUR STAKEHOLDERS PAGE 26

OUR ASSETS

LARGE, LONG-LIFE MINE WITH VALUE DRIVEN PIPELINE

Centamin is a multijurisdictional business, headquartered in the UK and structured with regional operating and exploration hubs in Egypt and Côte d'Ivoire, creating an exciting, dynamic, entrepreneurial workplace, made up of a talented and ambitious workforce.

OUR VALUES

PROTECT
WE PROTECT & RESPECT EACH OTHER AND OUR ENVIRONMENT

READ HOW WE'VE LIVED UP TO THIS VALUE ON PAGE 44

OWNERSHIP
WE EMPOWER OUR PEOPLE TO TAKE RESPONSIBILITY AND ACCOUNTABILITY

READ HOW WE'VE LIVED UP TO THIS VALUE ON PAGE 24

The Sukari Gold Mine is a world class orebody and the largest operating gold mine in Egypt. Combined with approximately 3,000 km^2 of highly prospective exploration ground in West Africa, Centamin has 14.3Moz Measured and Indicated gold resources.

A CLEAR AND CONSISTENT STRATEGY

Our strategy is to maximise long-term free cash flow generation, through cost-effective responsible mining, while maintaining an active growth pipeline and delivering sustainable returns for all stakeholders.

We fulfil our purpose through our **five strategic pillars**:

PEOPLE
Creating a safe and thriving workplace to attract and sustain a fit-for-purpose workforce

ASSET QUALITY
Focus on long-life, high quality assets, prioritising margin growth over production growth

FINANCIAL FLEXIBILITY
Maintain a robust balance sheet through disciplined capital allocation and cost management

STAKEHOLDER RETURNS
The commitment to generate long-term tangible returns

ACTIVE GROWTH PIPELINE
Pursuing organic growth and diversification opportunities

INNOVATE

WE ARE ALWAYS LEARNING AND LOOKING FOR WAYS TO IMPROVE THROUGH INNOVATION

READ HOW WE'VE LIVED UP TO THIS VALUE ON PAGE 48

EDUCATE

EDUCATION SHAPES OUR WORKFORCE AND THE BROADER SOCIETY

READ HOW WE'VE LIVED UP TO THIS VALUE ON PAGE 24

PASSION

WE ARE PASSIONATE ABOUT WHAT WE DO

READ HOW WE'VE LIVED UP TO THIS VALUE ON PAGE 20

CHAIRMAN'S INTRODUCTION

FOR CENTAMIN, 2020 WAS A YEAR OF CHANGE, AS WE RESHAPED THE BOARD AND THE SENIOR MANAGEMENT TEAM AND PUT IN PLACE A RIGOROUS MEDIUM TERM PLAN, FOCUSED ON MAXIMISING VALUE AT OUR FLAGSHIP SUKARI MINE.

NON-EXECUTIVE CHAIRMAN

JAMES RUTHERFORD

The declaration on 11 March 2020 by the World Health Organisation that the novel coronavirus (COVID-19) was a global pandemic ushered in the most challenging period that the global economy has faced in over 75 years and has radically affected the way in which we live our day-to-day lives and the way in which we do business. Politicians, regulators and business leaders around the world had to come together and introduce urgent measures to deal with rapidly evolving public health and socio-economic challenges. These restrictive measures introduced to combat the pandemic are set to continue for some time, as the world learns to live with COVID-19.

GROUP LOST TIME INJURY FREQUENCY RATE (per 1,000,000 working hours)	GROUP TOTAL RECORDED INJURY FREQUENCY RATE (per 1,000,000 working hours)	FATALITIES OR CRITICAL HEALTH RISKS DUE TO COVID
0.84	5.16	0
2019: 1.43	2019: 7.13	2019: 1

Response to COVID-19

Centamin's response to the outbreak of the COVID-19 pandemic was swift and robust. A COVID-19 Executive Committee was established, meeting weekly and supported by daily monitoring, reporting and risk assessment. As part of this effort, we worked actively with the Egyptian government to address the threat of COVID-19, providing logistical and financial support both within our local community and to the Egyptian government's national response efforts.

Our workforce responded quickly, by diligently implementing new workplace safety measures, by working closely with our suppliers and gold refiner, whilst also focusing on the health and wellbeing of the broader communities in which we operate. Thanks to the dedication and commitment of our people and the tremendous support of our partners, the Egyptian government, Centamin was able to maintain operational continuity and was able to cope with the challenges that arose.

The virtual world

The introduction of strict travel restrictions meant that, like a lot of companies, Centamin had to embrace new means of communication in order to maintain the quality and frequency of engagement with all its stakeholders. Since March 2020, all Board and committee meetings and all investor meetings have been conducted virtually via video conferencing. This created particular challenges for our annual general meeting ("AGM"), which also had to be conducted virtually and where we were thankfully able to incorporate provisions for shareholders to observe the meeting and to submit questions.

Board changes

Having been initially appointed to the Board as Deputy Chairman in January 2020, I succeeded Josef El-Raghy as Non-Executive Chairman upon his retirement at the AGM in July. At the same time, two long-serving Board members, Gordon E. ("Ed") Haslam and Mark Arnesen, also retired from the Board and we thank them for their valuable contribution.

As Chairman, one of my prime responsibilities is to ensure good governance and that the Board is effective in its work to support and guide the company and the management team. There has been a transformational refresh of the Centamin Board, with seven of the nine Board members having only been appointed in the last couple of years, and I believe that the Board, as currently constituted, possesses the right blend of skills and experience across numerous disciplines, as you can see outlined in the Governance Report.

During 2020, I initiated a process to completely reshape the structure of the different Board committees. These are in many respects the engine room of the Board. A new Sustainability Committee was established, chaired by Dr Catharine Farrow, while a new Technical Committee was also set up, chaired by Hendrik ("Hennie") Faul, who was appointed to the Board in June. Hennie brings more than 30 years of mining industry experience, most recently, from 2013 to 2019, as CEO of Anglo American's Copper operations, running two of the world's largest open pit mines. These two committees have already demonstrated their effectiveness and have worked closely with the Audit & Risk Committee, led by Marna Cloete. In addition, Dr Sally Eyre, was appointed as Senior Independent Director and as chair of the Remuneration Committee.

Management team

Following the unsolicited takeover approach by Endeavour Mining in late 2019, which was withdrawn in early January 2020, the Nomination Committee was able to resume the process to appoint a new CEO. Having conducted an extensive international search, led by a well-regarded recruitment firm, we were pleased to announce the appointment of Martin Horgan in April 2020. Martin is a qualified mining engineer and brings extensive mining industry experience, latterly as the CEO of Toro Gold, which discovered, developed and operated the Mako gold mine in Senegal. Commencing in less than ideal circumstances during the COVID-19 lockdown in the UK, Martin's performance to date has been outstanding, not least with the delivery of his three-year plan to unlock Centamin's true potential, a plan that is focused on operational discipline and long term planning. His energy, hard work and excellent people and leadership skills complement his rounded technical and capital markets experience. He has formed a strong working relationship with our CFO Ross Jerrard, who had ably served as Interim CEO prior to Martin's appointment.

Our purpose

A company's purpose statement should provide a strong and succinct affirmation of its primary reason for being in business and should convey in simple terms a sense of how a company views its relationship more broadly with society. It is important to embed purpose in our corporate DNA and to ensure it is at the forefront of both how we assess decisions and how we act. As a new Board, we worked with the management team in reviewing the expression of our purpose and strategy to improve its connectivity with what matters the most to us, people. This led us to adopt an amended purpose statement, which is "To create opportunity for people through responsible mining", thereby emphasising that our contribution to our people and to wider society are central to our purpose.

Commitment to dividend returns

The Board recognises the importance of dividends as an essential component of delivering returns to shareholders. In line with its previously stated intention, the Board is proposing a final dividend for 2020 of 3 US cents [(1)] per share, subject to shareholder approval at the forthcoming AGM on 11 May 2021. This would represent a proposed full-year dividend of 9 US cents [(2)] per share and a total pay-out for the full-year of US$104 million, which is equivalent to US$222 per gold ounce sold in 2020. This would mean that, since 2014, the Company would have returned a total of US$673 million to shareholders by way of cash dividends. In addition, over the same time period the Company has paid a total of US$199 million to our partner, the Egyptian government, in the form of profit share and royalties.

For the current year 2021, the Board has reiterated its intention to recommend an unchanged minimum dividend of US$105 million, again subject to final Board and shareholder approvals, which will be paid as an interim and final dividend. This reflects our confidence in the outlook for the Company during these next few years of investment and the strength of the Company's financial position. The long-term dividend policy of paying out a minimum of 30% of free cash flow remains unchanged.

Outlook

Centamin's corporate strategy remains clear and consistent. In the first instance, it is focused on maximising the value at Sukari, the engine that generates the free cash flow that supports sustainable returns to stakeholders and that will drive potential growth and diversification opportunities. The delivery and execution of the strategy has changed under Martin's new leadership, with greater operational stability and consistency, sustainable financial performance and positive contributions to society.

The Company's focus in 2021 is to deliver into the operational reset plan that was outlined in December and to complete the life of mine optimisation studies, identifying further cost-saving and productivity opportunities to ensure Centamin continues to generate meaningful returns throughout the cycle.

Reflecting the theme of this year's annual report, there are three pre-requisites that are essential elements to unlock Centamin's undoubted potential. These are (i) an effective governance structure; (ii) a talented management team; and (iii) a clear focus on operational discipline. With the changes that were instituted during the course of 2020, I am confident that those three elements are now in place.

Thanks

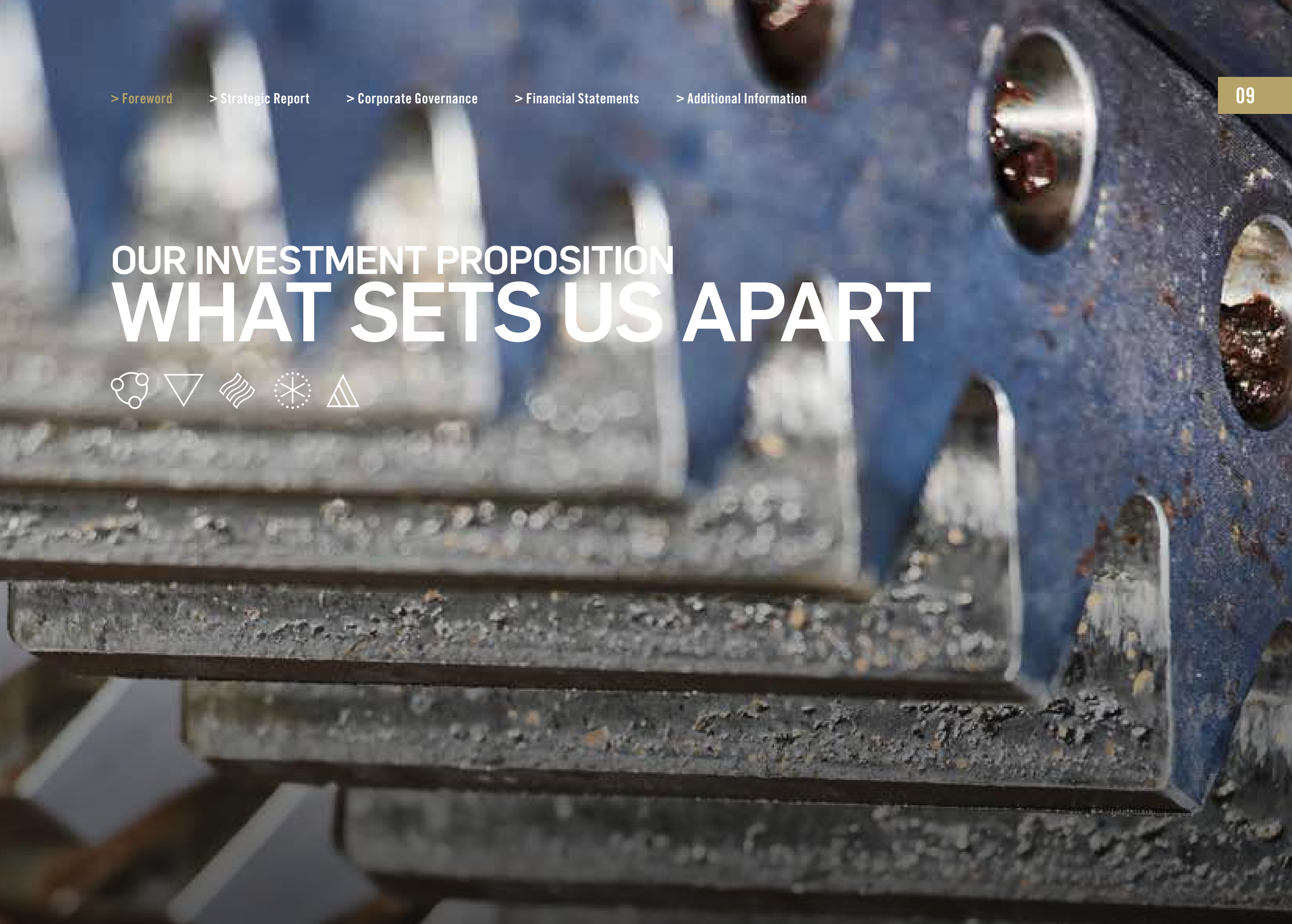
On behalf of the Board, I would like to thank all of our stakeholders for their continued support, work and commitment to the Company during a very challenging year. In particular, we would like to acknowledge the tremendous support of our partners, the Egyptian government, with whom we have a shared vision to transform Egypt's undoubted exploration potential and establish a flourishing gold mining industry in the country. Finally, and above all, I would like to thank the Centamin management and workforce for their resilience and hard work during these unparalleled times. Thank you.

James Rutherford
Non-Executive Chairman

> THE BOARD RECOGNISES THE IMPORTANCE OF DIVIDENDS AS AN ESSENTIAL COMPONENT OF DELIVERING RETURNS TO SHAREHOLDERS.

(1) Subject to shareholder approval at the 2021 annual general meeting

(2) Attributable to financial year 2020, excluding 2020 First Interim dividend which was attributable to financial year 2019



OUR INVESTMENT PROPOSITION

WHAT SETS US APART

WORLD CLASS OREBODY: RESET AND REPOSITIONED FOR THE LONG-TERM

Our new leadership team is bedded in; our three-year plan is in place, targeting cost savings, improved operating productivities and efficiencies, and transformational investment into environmental and social initiatives.

STRENGTHENED BOARD AND MANAGEMENT: REFRESHED CULTURE

At Centamin, we are united in the desire to work hard, do better, have fun and make a difference.

CONSISTENT STRATEGY: VALUE MAXIMISATION

We aim to maximise free cash flow generation by focusing on improving margins through cost discipline and innovation.

BALANCE SHEET STRENGTH: NO DEBT

Our strong balance with no debt or hedging enables us to have a long-term perspective on capital allocation and growth opportunities.

TRACK RECORD OF SHAREHOLDER RETURNS: INDUSTRY LEADING DIVIDEND

Central to our strategy, this is our seventh consecutive year returning surplus cash to our shareholders, demonstrating the sustainability of our dividend policy.

FURTHER GROWTH POTENTIAL

There is untapped resource potential across the portfolio. Our excellent geologists and a result-driven exploration model maintains an active pipeline of priority exploration targets balanced with a disciplined value-driven approach to capital allocation.

UNLOCKING CENTAMIN'S POTENTIAL

Centamin was built on the pioneering exploration success of the Sukari discovery in the Eastern Desert of southwest Egypt during the 1990s. The subsequent development of the Sukari gold mine is a story of tenacity in the modernisation of an ancient gold mining jurisdiction. Sukari is Egypt's largest and first modern gold mine, which includes a substantial bulk tonnage open pit and extensive higher grade underground operation.

Through a focus on skills training, individual development and high levels of local employment and procurement, Centamin's Sukari mine has also continued to take a lead role in the mission to modernise the wider mining sector in Egypt and make it one of the world's leading gold producers.

“CENTAMIN'S VISION IS TO BE THE PREMIUM LONDON LISTED GOLD COMPANY, MAXIMISING VALUE THROUGH RESPONSIBLY MINING MULTIPLE HIGH-QUALITY, LONG-LIFE ASSETS.”

STRATEGIC REPORT – CONTENTS

CEO'S STATEMENT

2020 WAS A PIVOTAL YEAR FOR CENTAMIN, AS WE SAW THE COMPANY MAKE STRIDES IN DEFINING THE VISION FOR THE COMPANY. WE START 2021 STRONGER, WITH A CLEAR PLAN IN PLACE, AND A COLLECTIVE DESIRE TO DELIVER THE COMPANY'S FULL POTENTIAL.

CHIEF EXECUTIVE OFFICER

MARTIN HORGAN

It is a pleasure to be providing my first CEO Statement since joining Centamin in April 2020. It has been a year that has presented numerous challenges as we faced the global health and economic crisis from the COVID-19 pandemic. I am immensely proud of the resilience and dedication of our workforce whose commitment and proactive response has enabled the Company to successfully navigate this period. Consequently, many of our workforce have been separated from their families and loved ones for extended periods and in some cases facing substantial periods in isolation, with limited physical exercise due to travel protocols.

The mental and physical health of our people is a vital consideration and in 2020 we implemented several initiatives to help address this situation which included improved rest accommodation, robust fatigue management protocols, increased our health education and exercise programmes, upgraded our workforce health insurance, and introduced a third-party mental health and advice platform for our team.

The year also saw the commencement of a comprehensive review of the Company with the intention of building on the successes of the last ten years to map out a strategy for the next decade and beyond which will deliver an optimised Sukari and the realisation of the value in our West African portfolio of exploration assets. I look forward to updating you in due course as we start to deliver into this strategy over 2021 and beyond.

COVID-19

Our priority remains the health and safety of our people and local communities. Testament to our proactive response to the virus outbreak, combined with our emergency preparedness framework, Centamin experienced no material disruptions at Sukari or our exploration projects in West Africa. Recognising that the duration of the pandemic and the lasting impacts remain uncertain, we have adapted our operating practices to enable the Company to co-exist with COVID-19 for the longer term, including, but limited to, mandatory employee screening before entering and exiting site, with associated test, trace and isolation protocols in place and increasing our workforce headcount and the integration of appropriate health, safety, and wellbeing measures into our daily operations which allows us to focus on longer horizon planning (rosters, supplies, capital growth projects) with more confidence.

The pandemic has also created opportunities for us, accelerating the adoption and implementation of technologies. In 2020, we established and transitioned the entire workforce onto a bespoke cloud-based business environment. With more people working remotely, this became critical, and has allowed for more efficient dissemination of information, collaborative discussion, and more productive working, irrespective of our physical location.

Our local communities are an extension of our workforce and we have a clear responsibility to provide support and assistance tackling the vulnerabilities they face. In 2020, we provided financial and logistical support towards our host country's COVID-19 response efforts to combat the pandemic. This included donating to a Marsa Alam (Egypt) hospital, two state of the art medical machines capable of testing for several life-threatening communicable diseases, including COVID-19.

2020 performance

Operational safety remains a primary focus for management, and this year's safety record is evidence of the continued progress with a 41% improvement in LTIFR to 0.84, and a TRIFR of 5.16, per one million site-based hours worked. While this was an improvement on previous performance this is an area of ongoing focus and work.

Our strong operating performance in many areas at Sukari was overshadowed by the safety-related decision in Q4 to temporarily suspend mining in a section of the open pit. Given a lack of operational flexibility in the open pit operations there was limited ability to revise the mining sequence and maintain production. The necessity to mine in the lower-grade Stage 5 north area of the pit therefore unfortunately impacted our guidance for 2020.

Improving mine planning to increase confidence in forecasting while increasing operational flexibility is a key focus for the Company, beginning with the commencement of an accelerated waste-stripping programme utilising an independent contractor and our own fleet, to position Sukari for stable long-term production.

While the open pit issue dominated the year's headlines given the impact on production, it should not be allowed to overshadow the performance of the team at site who performed excellently – even more so when considering the COVID-19 environment they operated in: a record amount of material was moved in the open pit, the underground continued its operational improvement across production and implemented key upgrade projects and the projects team delivered the critical TSF2 construction ahead of schedule and under budget, while simultaneously delivering multiple other projects.

Despite lower production output, we delivered another strong financial performance in 2020, benefiting from improved commodity pricing, our rapid response to COVID-19 and continuous dedication to improve operating efficiencies and productivity. Centamin reported a 54% increase in EBITDA to US$439 million with an EBITDA margin of 53%. Profit after tax increased 82% to US$315 million. Ultimately, the Group generated significant free cash flow, of US$142 million, a 91% increase, making it possible to pay dividends attributable to 2020 of US$104 million. We continue to maintain a strong and flexible balance sheet, and finished the year with US$310 million in cash and liquid assets at 31 December 2020.

Right people, right processes

Further to completing the Board succession programme in 2020, and with a clear focus on positioning Centamin for long term success, we completed a 'root and branch' review of our management and operating teams. This confirmed what we already knew, Centamin has some great people and the focus has been on upskilling and strengthening the leadership team in a limited number of key areas with the appointments of a Head of Risk, Head of ESG, Group Exploration Manager, Group Mineral Resource Manager and Group Projects Manager. I believe that the addition of these new team members working alongside the existing high-quality team will enable us to deliver into our long-term vision of growing Centamin into a top tier multi-asset gold producer.

Recognising talent and ability and providing an environment for individuals to grow and develop is key in motivating and retaining the best people who will deliver this vision. We have allocated US$6 million to workplace development programmes at Sukari in 2021, providing the training and tools needed to perform to the best of their ability, with several additional workforce initiatives and apprenticeship programmes being developed.

Sustainability

Centamin's mining operations and 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. Managed correctly, the mining sector can be a significant engine of local growth and development providing substantial benefits to the societies in which we operate.

In 2020, strides were made in establishing a stronger environmental, social and governance framework, starting with the establishment of the board-level Sustainability Committee and the appointment of Paul Cannon as Group ESG Manager. Centamin is a significant employer and financial economic contributor to both the government and local communities. Over 95% of our total workforce is employed locally and over 60% of our supplies procured within Egypt at Sukari and 94% of our supplies procured locally to our exploration projects in West Africa. In 2020, our employee development training nearly doubled and further progress was made developing talented local employees into positions of management.

Our local communities are an extension of our workforce and where many of our contracted workforce live. As we look to 2021 and beyond, we are developing integrated programmes that meet the needs of our local communities and focus on our target areas of training and education, healthcare, gender equality and local economic participation. I look forward to updating you more on these initiatives in the future.

Pursuing growth

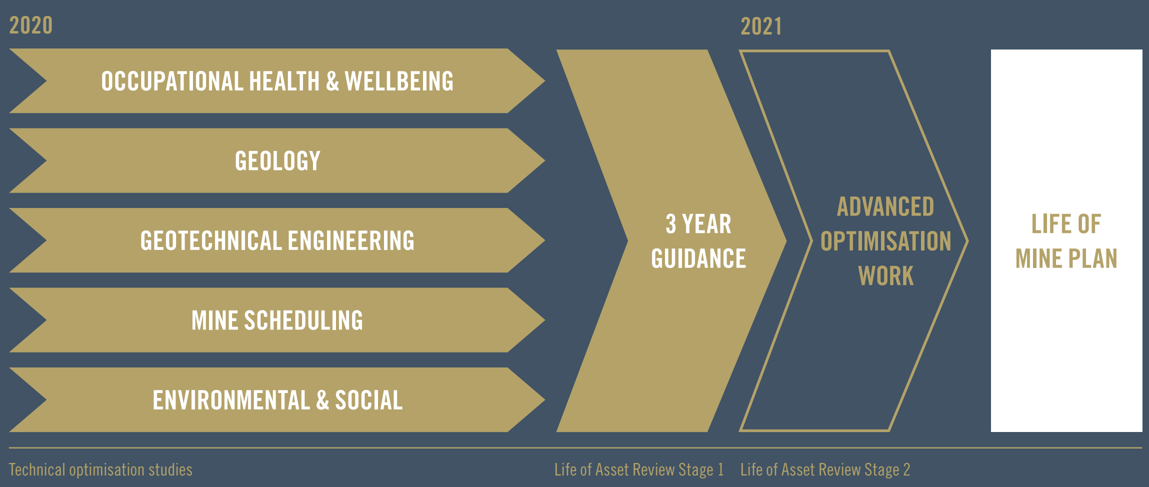
As a team we spent 2020 reviewing the growth potential of Centamin and I am excited by the number of opportunities already in our portfolio before we even consider looking externally for new opportunities.

Our operations are hosted in two of the world's great geological terranes, the under-explored Arabian-Nubian Shield in Egypt and the Birimian terrane of West Africa. Our defined resources at Sukari sit along a 2km surface signature within our 160km^2 licence. The Sukari orebody remains open at depth and along strike and I believe there is great potential to further develop the resource base at Sukari. The full potential of the wider Sukari concession area remains untested and there is potential for further discovery within the existing tenement. With a new geological leadership team and a significant budget allocation active exploration programmes are underway to unlock that potential. Furthermore, Centamin is looking to expand its footprint along the Arabian Nubian Shield, and participated in Egypt's exploration bid round, launched in March. Commercial terms are being negotiated, with the goal to increase the Company's footprint in Egypt by way of operations, employment and further opportunities.

LIFE OF ASSET REVIEW: SUKARI VALUE MAXIMISATION

In 2020 we completed the first stage of what we refer to as the Life of Asset review. Having operated Sukari for ten years we wanted to ensure the world class orebody was being operated as a world class mine.

In the second half of 2019 we launched a series of comprehensive optimisation studies across every aspect of the asset, looking for innovative opportunities to improve how we operate, reduce costs, drive productivity and efficiency gains, enhance our sustainability performance with the ultimate goal of delivering on our strategy and maximising margins and returns for shareholders.



Find out more at www.centamin.com

QUICK FIRE Q&A WITH CENTAMIN'S NEW CEO

> OPERATIONAL SAFETY REMAINS A PRIMARY FOCUS FOR MANAGEMENT, AND THIS YEAR'S SAFETY RECORD IS EVIDENCE OF THE CONTINUED PROGRESS IN THIS AREA.

Q Why did you join Centamin?

A "In a nutshell it was too good an opportunity to let go – to be involved with the world class resource at Sukari and to lead a refreshed team, motivated to reshape the operations for the next decade and beyond. On a site visit prior to accepting the position, I recognised there was untapped potential for Sukari to grow, making it a very strong engine with which to drive the development of a diversified growth platform. Add to this picture, a company which has a robust balance sheet and a premium LSE listing – it was apparent to me that opportunities to lead a company like Centamin don't come along very often. It's a great challenge and it's one that I know myself and the team are hugely excited about. We are defining and delivering a new era for Centamin."

Q What can you expect from the new Centamin going forward?

A

- a safe and sustainable operation
- rigour and discipline in our planning
- greater efficiency and productivity
- these to flow through to free cash flow generation
- us to execute on the growth opportunities, and
- we will have fun in the process, because we are passionate about what we do.

Our exploration portfolio in West Africa made good progress in 2020, and despite initial disruptions caused by COVID-19, all budgeted exploration and drilling programmes were completed. Strategic reviews for each of the projects commenced earlier this year and I look forward to communicating the outcomes of those studies, and a route to value realisation next quarter.

Outlook

After a challenging 2020, Centamin has emerged with a renewed focus on delivering the full potential of the Company. Centamin is an established Company – ten-year operating track record, seven-year dividend stream, premium dual-listed, FTSE 250 constituent, fully distributed capital structure with a robust balance sheet. This is an excellent platform from which the Centamin team can build from.

In December, we presented the conclusions of the Phase 1 Life of Asset review ("LOA") and three-year outlook, detailing clear cost-saving, exploration, and productivity initiatives, targeting 450–500,000 ounces production at less than US$900/oz all-in sustaining costs from 2024. This was the first step on the journey of our plans to unlock Sukari's full potential. Phase 2 of the LOA is ongoing to assess and identify further opportunities for exploration, productivity, and efficiency improvements, giving us a fully optimised life of mine plan for Sukari. We look forward to communicating our future progress throughout the year and beyond.

Centamin is a company of many strengths with significant opportunities ahead. Combining the business's asset quality, financial flexibility and active growth pipeline, and quality people to drive long-term value creation, we look forward to generating sustainable returns for our shareholders and broader stakeholders alike.

We believe we are in a strong position to navigate future challenges within our control, presented by the continuation of COVID-19. We continue to work closely with our government partners, monitoring the developments and adapt our processes accordingly, to ensure the safety of our people and local communities, and minimise disruption to our operation.

Let me end by thanking the leadership team and all our colleagues, contractors and partners for their steadfast support and excellent work. And to the Board for your advice and stewardship.

Martin Horgan
Chief Executive Officer and Director

MARKET REVIEW

Our robust balance sheet, underpinned by a resilient business with strong capacity for growth, gives us the flexibility and strength throughout the cycle to deliver sustainable returns to shareholders.

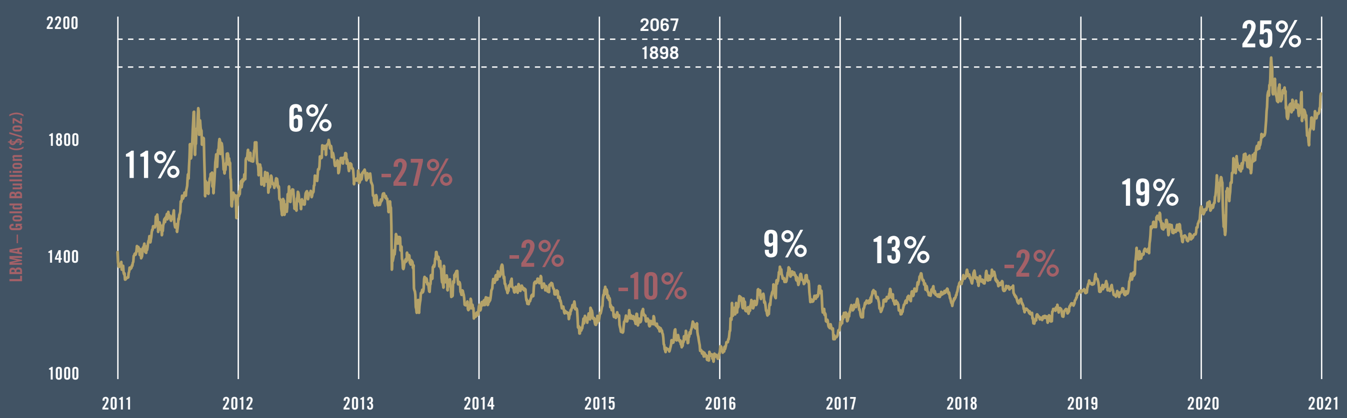
GOLD PRODUCTION IN A CHANGING WORLD

MACRO OVERVIEW

COVID-19, Brexit and the chaotic end to the US administration of President Trump have all changed the world in 2020.

In 2020, global GDP contracted as countries mandated restrictions on the movement of goods and people, both internationally and domestically, due to the COVID-19 pandemic. This was also paired with huge stimulus measures aimed at softening the impact to people and business with quantitative easing measures brought in by many central banks. This led to record low yields on ten-year US treasury bonds and many bonds now offering negative yields. Stock markets started the year strong before entering a short-lived bear market that, aided by monetary policy, reversed to leave many valuations at all-time highs. In the commodities sector, oil contracts turned negative as investors tried to circumvent deliveries as demand stagnated, prices recovered modestly as there are concerns over the lasting impacts of the pandemic on oil demand. Meanwhile gold was one of the best performing assets of the year outpacing the S&P 500. Activity and trade in goods saw improvements from mid-2020 whilst the services sector, in particular tourism, is still largely depressed. Predictions for the 2021 global economy remain uncertain. Global GDP is expected to expand in 2021 however this is reliant on effective management of the virus alongside effective vaccination. [1]

GOLD REACHES NEW HIGH IN 2020 WITH BEST PERFORMANCE IN A DECADE



Data Source: S&P Global Market Intelligence

(1) World Bank

(2) World Gold Council

(3) S&P Global Market Intelligence; Gold Mined Supply

COMMODITY CYCLE

GOLD MARKET REVIEW [2), (3]

In 2020, the gold price had its best performance in ten years, finishing the year up 25% and continuing from the strong performance in 2019. The London Bullion Market Association ("LBMA") high of US$2,067/oz was achieved in August, surpassing the previous peak of US$1,898/oz in September 2011. The average LBMA price for the year was US$1,771/oz. A key driver throughout 2020 was the global economic and healthcare response to COVID-19. Unprecedented stimulus announcements, falling bond yields – both real and nominal – dollar weakness and declining interest rates saw a rise in investor appetite for physical gold and gold equities, as reflected in record gold ETF inflows. Lockdowns in key gold producing nations filtered through to supply with mine production falling 5% in H1, many operations began returning to normal activity in H2 with a production increase from Q3 [(3)].

Following its August peak, gold prices fell; geopolitical uncertainty was lowered with a bipartisan outcome in the US election and nearing completion of Brexit negotiations. This was alongside expectations of a future market recovery, meaning investors exited 'safe havens' into speculative assets with vaccine news boosting the broader equities market. However, as 2020 closed out, gold reversed its downward trend with the dollar weakening on optimism of a US$900bn stimulus deal alongside mutations of the COVID-19 virus threatening global recovery efforts with mounting concerns around the need for new lockdown restrictions.

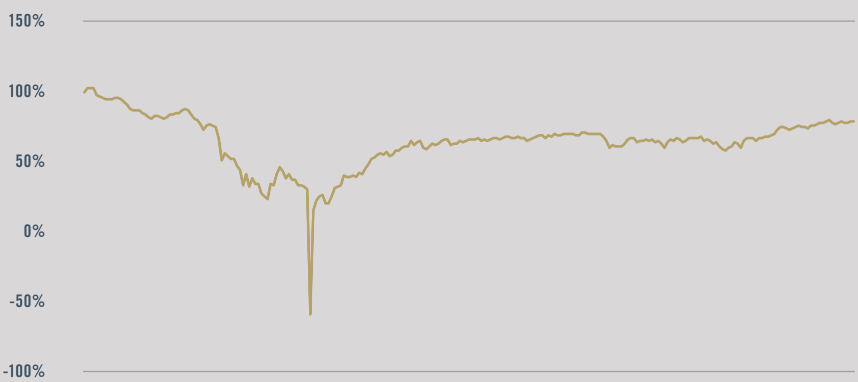
The outlook for gold is dependent on several factors beyond physical supply and demand: pace of global economic recovery, further government intervention through stimulus or quantitative easing, potential changes to consumer behaviour, business foreclosures, geopolitical trade tensions.

How we responded

As a gold miner, Centamin is impacted by the dynamics of the gold market. Overall, 2020 was an extraordinary year in terms of global uncertainty and 2021 will not be without challenges. To ensure business strength throughout the commodity cycles, Centamin prioritises operating margins over production volume through stringent cost management, disciplined capital allocation, innovation targeting efficiency and productivity gains and by maintaining a robust balance sheet.

Centamin's average realised gold price for 2020 was up 26% compared to 2019, gold sales were flat and cash costs of production declined 2%.

2020 WTI INDEX



OIL MARKET REVIEW

For the oil market, 2020 was a highly volatile year, ending the year 21% down year-on-year, at US$48.52 a barrel. The decline in oil prices translated to lower consumer fuel prices with a drop in realised diesel prices throughout 2020.

In Q1 2020, global restrictions on the movement of people and goods created a negative demand-side shock, resulting in a sharp fall in international prices. This was further compounded by supply-side tensions between Saudi Arabia and Russia. In April, the West Texas intermediate contracts turned negative due to fears over demand weakness and a shortage of crude oil storage. By the middle of the year, as global lockdowns eased, demand steadily returned and prices began to rise to approximately US$40 a barrel.

Thus far in 2021, the oil price has recovered back to pre-COVID-19 levels, due to increasing demand and recently aided by supply-side shocks because of extremely cold weather conditions in the United States.

How we responded

Currently, Centamin's business operations rely on diesel to fuel the mobile mining fleet and for thermal power generation. The Company has significant initiatives in place to reduce the reliance of diesel, including the construction of a 36Mw solar farm to provide partial power to the processing plant and reduce diesel consumption by greater than 20%. Preparatory works are underway, ahead of construction, with commissioning expected in H1 2022.

One of the top political priorities within Egypt is expansion of natural gas utilisation

OPERATING ENVIRONMENT

EGYPT

In 2020, Egypt was faced with the challenges presented by COVID-19 with economic activity slowing with social distancing measures and the temporary suspension of air travel. The government allocated an EGP 100 million emergency response package augmenting health care expenditure and providing financial relief for individuals and businesses. The borders remained open to the trade of goods. Inflation continued to decline to below 6% and rose to approximately 10%. Growth declined to 3.5% from 5.6% in 2019, with tourism and oil sectors hit substantially. A vaccine rollout programme has started in early 2021 and a projected economic rebound is expected in 2022.

In 2020, the Egyptian Ministry of Petroleum and Resources announced the new mining code including a tax, rent, royalty framework and launched several new licensing bid-rounds, including one for gold exploration ground.

How we responded

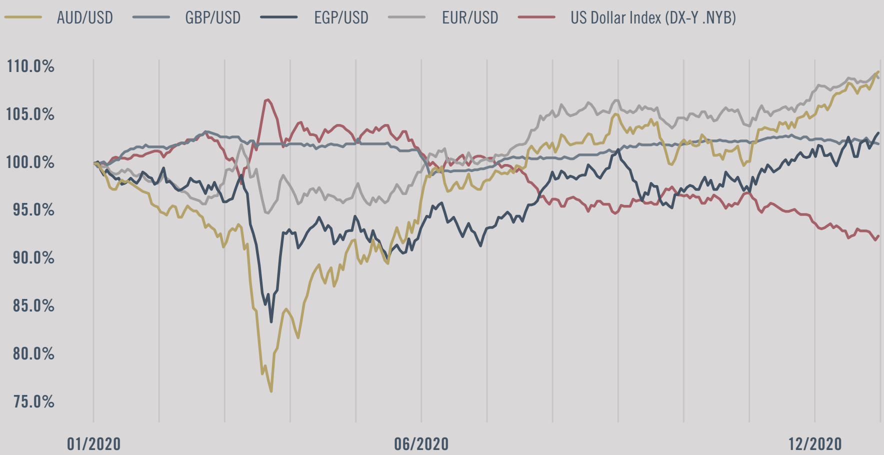
As the country's largest mining company, and significant local employer, Centamin takes a hub-based approach, with a dedicated in-country manager, supported by the executive and sustainability team, maintaining regular engagement with key government officials at all levels and local stakeholders. In response to the COVID-19 outbreak, early action was taken to protect the on-site workforce, secure operations, and support the local community of Marsa Alam. Centamin provided logistical and financial support federally and within our local community. The Company worked closely with our local partners, the Egyptian government to understand and address their needs in combating COVID-19 and worked collaboratively to sustain operations at Sukari.

Centamin has long believed there is significant untapped gold potential within the underexplored Egyptian Arabian Nubian Shield. The proposed structural changes to the mining code and fiscal licensing terms are a positive step towards unlocking that exploration potential. Centamin bid for several blocks of land in the exploration bid round launched in March 2020. The bid round attracted a few other international gold mining companies. Commercial terms are being negotiated, with the goal to increase the Company's footprint in Egypt by way of operations, employment and further opportunities. (Note. Any agreed terms on new licences in Egypt would be independent from, and therefore not impact, the Sukari Gold Mine Concession Agreement, under Egyptian Law 222 of 1994.)

throughout the country. At Centamin we are investigating the use of liquefied natural gas as a more efficient and environmentally friendly fuel source for both onsite power generation, alongside solar, and for our mobile mining fleet.

Centamin consumed 161 million litres of fuel, a 2% increase compared to 2019. Centamin's average paid fuel price for 2020 was US$0.45 per litre, a 22% reduction year on year. In 2020, fuel represented 15% of the Company's total cost base.

CURRENCIES GAIN AGAINST WEAKENING DOLLAR



Data Source: S&P Global Market Intelligence

WEST AFRICA

In 2020, there were presidential elections in both Côte d'Ivoire and Burkina Faso, where Centamin have exploration projects. In Côte d'Ivoire, Alassane Ouattara won the presidential election with a 95% majority. In Burkina Faso, the incumbent president, Roch Marc Christian Kaboré, was re-elected with a 58% majority. Security in Burkina Faso remains an emerging risk for the Company. Organised terrorist attacks and banditry continued to be reported across the country. Presidential campaigning was impacted by regional instability, limiting the candidate's access to some regional constituents.

How we responded

Safeguarding our workforce is our number one priority. The Group employs local security forces to protect its people and assets in our areas of operation. Batie West, the Company's asset in Burkina Faso, is located in the southwest, bordering Côte d'Ivoire. Despite no reported incidents nearby, there was no fieldwork in 2020 at the Company's Batie West exploration project in southern Burkina Faso.

FOREIGN EXCHANGE

The impact of COVID-19 and mobility restrictions in Q1 impacted GBP and AUD negatively causing investors to move to USD with the rest of the world facing uncertainty. That soon reversed and by April, the impact of a delayed response in the United States with a rising death toll saw investors exit the USD. Even though Europe was hit hard by COVID-19 in Q1, the response with strict lockdowns leading to a slowed mortality rate, monetary policy from the European Union and a loss of confidence in USD saw the EUR perform well. Similarly, in Australia, strict lockdown measures and close control over its borders saw many states return to relative normality by the end of the year, allowing the AUD to finish strongly. The pound managed to recover against the dollar with early vaccine news a contributing factor. High death rates, Brexit negotiations, and the rise of a new variant strain all hindered the pound however with it finishing just above 3% ahead of its starting position versus the USD.

How we responded

Centamin is a USD denominated company with 100% of the gold sales and, in 2020, 51% of the Group cost base in USD. Of the balance, 27% of the costs were in EGP with the main components being fuel and labour, which strengthened 2% against the USD. AUD represents 14% which is almost entirely attributed to contractor costs. The 8% balance comprises of GBP, EUR, and ZAR linked to labour, contractor and consumable costs.

Centamin does not have any currency hedges or debt in place. Centamin monitors currency risks and believes that the currency exposure from the cost base is sufficiently balanced.

OUR BUSINESS MODEL CREATING LONG-TERM VALUE

WHAT WE RELY ON

NATURAL RESOURCES

(Natural capital)

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

PROPERTY, PLANT AND EQUIPMENT

(Physical capital)

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

SKILLED WORKFORCE AND EXPERIENCED MANAGEMENT TEAM

(Human & intellectual capital)

Operating in Egypt provides good access to an educated workforce and we invest in the upskilling and professional development of our workforce.

LONGSTANDING PARTNERSHIPS WITH GOVERNMENT AND LOCAL COMMUNITIES

(Social capital)

We maintain a strong licence to operate through trusting partnerships with host countries and communities in which we operate.

STRONG FINANCIAL MANAGEMENT

(Financial capital)

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

UNLOCKING POTENTIAL AND CREATING LONG-TERM VALUE

DELIVERING OUR STRATEGY

Right people, right processes

- Strong governance framework
- Strengthened management team
- Empowered workforce

Process

- Rigour & discipline
- Robust technical data
- Optimised life of mine plan
- Three-year operating plan
- Confident twelve-month budget and guidance

A STRONG SUSTAINABILITY CULTURE

Our commitment to responsible mining

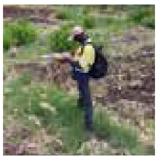
- Stakeholder engagement – building strong, constructive and responsive relationships based on trust and respect
- Health, safety and wellbeing – establish a rigorous workplace health and safety culture that protects our workforce against accidents and occupational disease
- Social and economic development – contribute to economic and social progress, and transform people's lives for the better
- Environmental responsibility – stewardship of natural resources, balancing the needs and interests of communities, conservation interests and other stakeholders, and being part of the climate solution

UNDERPINNED BY STRONG CORPORATE GOVERNANCE;

Centamin has been creating long-term value within Egypt for three decades, working in partnership with the Egyptian government, local communities and a multitude of local businesses throughout our supply chain to develop Egypt's modern gold mining industry. We are serious in the application of ethical business practices, supported by robust systems of corporate governance, transparency and accountability.

WHAT WE DO

EXPLORE



Maximising our geologic understanding

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

Read more on page 22

DEVELOP

A modular approach

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

MINE

Long-term planning

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

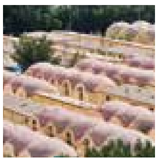
Read more on page 44

PROCESS

Quality end product

We produce gold doré bars from a 12Mt per annum carbon in leach plant and smaller dump leach operation. All gold production is routinely shipped to a third-party refiner for smelting into gold bullion

SUSTAIN



Business longevity and corporate integrity

We are committed to delivering sustainable value for our people, stakeholders and host communities by protecting the health and wellbeing of our people, environmental stewardship and being a catalyst for socio-economic empowerment in our host communities.

SHARING THE VALUE WE CREATE

TALENTED WORKFORCE

1,709 employees

US$59.2m wages, salaries and benefits

CONTRIBUTIONS TO OUR HOST COMMUNITIES

US$2.0m invested in our local communities

A ROBUST AND RESPONSIBLE SUPPLY CHAIN

US$181m goods and services are procured locally from Egyptian suppliers

CONTRACTORS WITH A SHARED VISION

95% of our contracted workforce is employed locally

IN PARTNERSHIP WITH THE GOVERNMENT

US$199m in profit share payments and royalties in Egypt

WORKING TO MINIMISE OUR ENVIRONMENTAL FOOTPRINT

Constructing a 36MW solar farm that will reduce the CO_2-e emissions from the Sukari power plant by more than 20%

Constructed and commissioning a second tailings storage facility

REWARDING OUR SHAREHOLDERS

US$104m in total dividends paid and proposed

ROBUST RISK & OPPORTUNITY MANAGEMENT; DISCIPLINED CAPITAL ALLOCATION

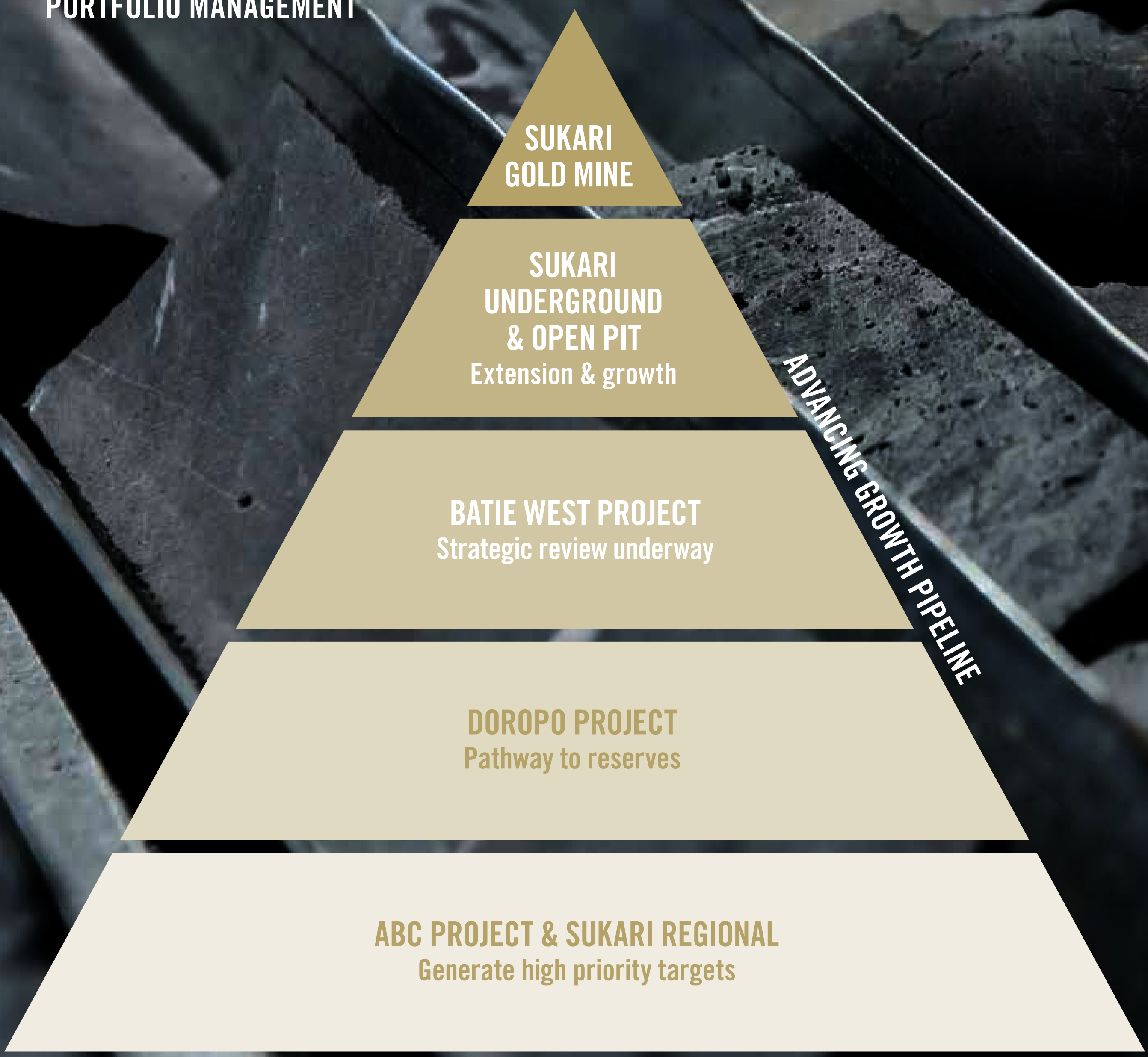
APPROACH TO GEOLOGY

> EXPLORATION IS THE 'RESEARCH AND DEVELOPMENT' OF THE MINING INDUSTRY AND THE DISCOVERY OF COMMERCIAL MINERAL DEPOSITS CAN CREATE ENORMOUS VALUE – VALUE THROUGH THE DRILL BIT.
>
> Howard Bills, Group Exploration Manager

STRENGTHEN AND RESTRUCTURED GEOLOGICAL LEADERSHIP

Optimising the assets and capital allocation

PORTFOLIO MANAGEMENT



Centamin's foundation was established by creating value through a systematic exploration process and the drill-bit, taking Sukari from discovery to cashflow and a return to shareholders.

Successful exploration results from combining nimble and collaborative exploration teams and experienced leadership with large tenement packages in prospective terranes and in jurisdictions with favourable legislative frameworks.

Centamin considers all these when assessing the risk and opportunity ahead of exploration investment. Work programmes are framed within a clear strategy on how to unlock value. Smart exploration involves a systematic and structured workflow with each phase of exploration designed to reach project decision points or 'toll gates'. The overall pattern as exploration proceeds through the discovery and project development stages is risk reduction coupled with increased expenditure.

Upskilling the geology team

In 2020, the Company restructured its approach to geology by establishing the mineral resource management department, responsible for the Group's orebodies, to sit alongside the near mine and greenfield exploration department, responsible for delineating and developing early-stage project potential and identify new exploration opportunities. To support the restructure there has been investment in building the teams and strengthening the technical expertise and introducing new technology.

Centamin's exploration strategy is to focus on the discovery of commercially feasible projects which meet the Company's development profile criteria defined by reserves, grade, annual production and expected life of mine. The Company currently has an active asset pipeline. With the appointment of Howard Bills as Group Exploration Manager and Craig Barker as Group Mineral Resource Manager, a full review of the Company's portfolio commenced, looking at both the West African assets and the broader potential of the Sukari concession area. The review will assess and rank the potential of the current portfolio, identify gaps in the current exploration approach and start to implement changes to ensure exploration remains a key focus for the Company as a driver of value creation.

Please refer to the Exploration Review on page 50 for more information on this year's activities and our value-driven approach to orebody stewardship.

UNDERSTANDING THE OREBODY

MINERAL RESOURCE MANAGEMENT

OREBODY STEWARDSHIP TO MAXIMISE RETURNS FOR STAKEHOLDERS

- Re-interpret existing data
- Upgrade resource management processes
- Build robust resource models based on geology
- Control ore movement
- Integrate mine-to-mill planning
- Target reserve replacement and resource extension

FY21–FY23:

US$20m pa expected spend on drilling and development

UNDERSTANDING THE OREBODY

EXPLORATION

GREENFIELD EXPLORATION TARGETING NEW OREBODIES

- Maximise resource growth
- Systematic and disciplined exploration
- Generate new priority targets
- Evaluate known satellite resource deposits

FY21:

US$6–7m scheduled capital spend on concession exploration

APPROACH TO SUSTAINABILITY

At the centre of our culture is our focus on doing the right thing for our people, local communities and wider society.

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 purpose is one and the same as our sustainability purpose, to create opportunities for people through responsible mining.

RIGHT PEOPLE, RIGHT PROCESSES:

- Organisation structure, management and accountability defined for sustainability at all levels of the organisation
- Appointment of Group Environmental and Social Manager to the senior management team with a direct reporting line to the CEO
- Establishment of a corporate sustainability team with deep operational knowledge of Sukari
- Renewed engagement with the Sustainability Committee of the Board, meetings scheduled every two months

SUSTAINABILITY PERFORMANCE FRAMEWORK:

- Policy framework aligned with good industry practice and supplemented with principles and commitments on responsible tailings management and climate-related risk
- Development of operational performance standards to address key business risks and impacts, and aligned with good industry practice
- Improved management assurance processes of sustainability performance, including annual third-party review
- Group and asset-level performance indicators aligned to the Responsible Gold Mining Principles
- Annual reporting aligned to the Global Reporting Initiative and Sustainability Accounting Standards Board ("SASB")

CONTROL ON CRITICAL RISKS:

- Roll-out of twelve critical risk standards at the Sukari Mine to formalise risk control and reinforce our commitment to zero-harm
- Each risk is supported by a dedicated risk owner, a detailed risk profile and a detailed performance standard
- Identify 'critical controls' and assess any failures
- Focus on enabling the workforce to understand risks and manage critical controls effectiveness during everyday work

> WE ARE STEADFAST IN OUR COMMITMENT TO THE PROTECTION OF THE HEALTH AND WELLBEING OF OUR PEOPLE, ENVIRONMENTAL STEWARDSHIP AND BEING A CATALYST FOR ECONOMIC EMPOWERMENT IN OUR HOST COMMUNITIES.

Paul Cannon, Head of ESG

A PATHWAY FOR PROFESSIONAL DEVELOPMENT:

- Develop a shared understanding of the critical behaviours required for successful performance in Centamin
- Train, educate and provide the skills necessary for all employees to ensure that pathway initiatives are completed at a proficient level
- At the Sukari Mine, bespoke frontline leadership training for leading hands, supervisors, superintendents, and managers
- Ensure leadership continuity for all critical positions through succession planning – retain and develop intellectual knowledge capital for the future and encourage individual advancement

KEEPING OUR COMMUNITIES COVID SAFE:

- Financial support provided to the governments of Egypt, Côte d'Ivoire and Burkina Faso in their efforts to reduce the transmission of COVID-19
- Supply of equipment and suppliers to local medical facilities in our project areas, including masks, disinfectants, thermometers, and sterilisers
- In the public hospital of Marsa Alam adjacent to the Sukari Mine, installation of a state-of-the-art PCR machine to perform standard diagnostic COVID-19 test
- For the Sukari workforce strict adherence to social distancing and COVID-19 testing in the interest of protecting not only the operation but the health and safety of the community
- Financial support to vulnerable families affected by COVID-19

GETTING SOLAR READY:

- At Sukari, impact assessment studies were completed and preparatory works commenced for a 36MW DC peak solar plant complete with battery storage system and integration with existing thermal power plant
- The plant will generate 23% of the annual power for the site and reduce annual diesel consumption by 22M litres per year, plus reduced traffic and emissions from vehicles transporting fuel to site
- Reduction in CO_2 emissions by 60,000 tonnes per annum, plus other pollutants CO, S, NOX. This is equivalent to a 13% reduction in overall mine GHG emissions
- Onshore construction contractor ensuring high-level of local content and skill development
- Commissioning scheduled for H1 2022

UNDERSTANDING OUR STAKEHOLDERS

It is important we work hand-in-hand with our communities, returning value to society as well as its owners and partners.

Our purpose is to create opportunities for people through responsible mining. To do this, we must understand our stakeholder interests and needs, while communicating our purpose. Communication creates community and with regular engagement, we are able to create mutual long-term value and success.

▶ Find out more about our Board engagement with stakeholders on page 31 of the Governance Report

EMPLOYEES

HOW WE ENGAGE

- Daily pre-start and toolbox meetings
- Routine safety meetings with management, leadership, committee and HSE representative meetings
- Professional development: performance appraisals, objective setting, incentives
- Training and skill development, 'on-the-job' supervision, technical and soft-skill training, felt leadership
- Code of Conduct and employee induction
- Grievance mechanism and whistleblowing platform
- Bulletins, intranet and notice boards
- Corporate visits to operational sites

ISSUES RAISED

Occupational Health and Safety ("OHS")
Training and education
Local communities
Economic performance
Energy

OUTCOMES

- Leading indicators reinforced, plan task observation, felt leadership
- Professional development pathway in place
- Strict controls on local content in place
- Solar project commenced preparatory works, investment in automation of high voltage distribution system to optimise fuel efficiency and light-weight truck trays

FOCUS ON MAKING CENTAMIN A GOOD PLACE TO WORK

GOVERNMENTS

HOW WE ENGAGE

- Regular formal and informal engagement with ministries and local authorities
- Routine site visits and regulatory inspections
- Routine board meetings with national partner agencies
- Routine operational reporting
- Transparent profit sharing, royalty, permit, tax payments

ISSUES RAISED

Local communities
OHS
Indirect economic impacts
Training and education
Market presence (i.e. local employment)
Environmental compliance

OUTCOMES

- Community investment and development programme sustained
- Reinforcement of leading OHS indicators, plan task observation, felt leadership
- Professional development pathway in place
- Strict controls on national recruitment and procurement in place
- Legal compliance sustained

FOCUS ON JOB CREATION – PAYING COMPETITIVE SALARIES

COMMUNITIES

HOW WE ENGAGE

- Open dialogue with community leaders
- Community investment and development planning, charitable donations
- Job creation and skill development
- Site tours of the operations
- Grievance mechanism

ISSUES RAISED

Employment

Local communities

Training and education

Market presence (i.e. local employment)

Rights of indigenous people

Tax

OUTCOMES

- Strict controls on local sourcing in place
- Community investment and development programme sustained
- Professional development pathway in place
- Transparent payment of profits, royalties and taxes to government

FOCUS ON COMMUNITY SUSTAINABILITY THROUGH INVESTMENT, EDUCATION AND EMPLOYMENT

SHAREHOLDERS

HOW WE ENGAGE

- Regulatory announcements and press releases on material performance, including quarterly operational and sustainability reporting and biannual financial reporting
- Regular market presentations, investor conferences and open market dialogue
- AGM and one-on-one meetings
- Annual Report and Sustainability Report
- Engagement with proxy advisory groups and shareholder stewardship teams

ISSUES RAISED

Emissions

Diversity and equal opportunity

OHS

Anti-corruption

Training and education

OUTCOMES

- Solar project commenced preparatory works, investment in automation of high voltage distribution system to optimise fuel efficiency and light-weight truck trays and dynamic gas blending
- Leading OHS indicators reinforced, plan task observation, felt leadership
- Anti-bribery and corruption training provided to 'at-risk' employees
- Professional development pathway in place

FOCUS ON TRANSPARENT ENGAGEMENT, DELIVERY ON OUR STRATEGY, REBUILDING SHAREHOLDER CONFIDENCE THUS IMPROVING OUR VALUATION

SUPPLIERS, CONTRACTORS & REFINERS

HOW WE ENGAGE

- Open dialogue and regular meetings with onsite management teams
- Routine contract review and compliance checks
- Code of Conduct and contractor induction
- Training, site inspections, felt leadership
- Tendering and procurement procedures
- Grievance mechanisms and whistleblowing platform

ISSUES RAISED

OHS

Training and education

Local communities

Environmental compliance

Indirect economic impacts

OUTCOMES

- Leading occupational health and safety indicators reinforced, plan task observation, felt leadership
- Training available for onsite contractors
- Strict controls on national recruitment and procurement sustained
- Community investment and development sustained
- ESG criteria reinforced in contracts for major suppliers including local content

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

MATERIALITY ASSESSMENT PROCESS

FOCUSING ON TOPICS MATERIAL TO CENTAMIN AND OUR STAKEHOLDERS

A materiality survey was distributed to internal and external stakeholder groups in which respondents were asked to select the seven most important issues based on potential impact to Centamin's business from a list of 34 material topics under the categories of 'Economic', 'Environmental', and 'Social'.

Internal stakeholder groups included: corporate, directors, management, senior and junior personnel. External stakeholder groups included: suppliers, NGOs, government, proxy advisors and community. In total 94 stakeholders responded to the survey.

The assessment results are plotted below, indicating those issues of high and medium importance to our external stakeholders and internally to Centamin. Overall, there is a strong alignment between internal and external stakeholder views and priorities – and good alignment between the results of 2019 and 2020.

The priority material topics as identified through this assessment have informed the selection of Global Reporting Initiative ("GRI") and SASB disclosures to be detailed in the Sustainability Report. The Report will provide a narrative explanation of why the topic is material, where the impacts occur, and how these impacts are being managed

OUTCOMES

HIGH

IMPORTANCE TO STAKEHOLDERS

2019 high priority issues:
- Occupational health and safety
- Environmental incidents
- Resource efficiency
- Management of hazardous waste (tailings)

2020 high priority issues:
- Occupational health and safety
- Training and education
- Local communities
- Environmental compliance
- Indirect economic impacts

2019 medium priority issues:
- Revenue transparency
- Anti-bribery and corruption
- Emergency preparedness
- Skills training and staff development
- Purchasing from local suppliers
- Climate change
- Air pollution

2020 medium priority issues:
- Market presence
- Economic performance
- Diversity and equal opportunity
- Climate change
- Employment
- Anti-bribery and corruption
- Management of hazardous waste (tailings)

HIGH LOW HIGH

CURRENT OR POTENTIAL IMPACT ON THE BUSINESS

SECTION 172

Although Centamin is a Jersey registered company and the full requirements of the Section 172 are additional to the Directors' current obligations under Jersey Law, the Directors believe they have complied with the UK requirements in the 2018 Code – Provision 5 by considering the Company's stakeholders in their decision-making.

Summary of the Board's approach

Through the Board's governance structure, key decisions give due consideration to all stakeholders in compliance with Section 172. The summary set out below highlights references within the Annual Report that illustrate our approach to decision-making through stakeholder assessment, engagement and promoting the success of the Company.

BOARD/COMMITTEE

ASSET LEVEL
Mine planning and monitoring

SENIOR LEADERSHIP

Values, Purpose and Strategy
As set out throughout the Strategic Report

Culture
See page 88 to understand our culture and values that define the way we work

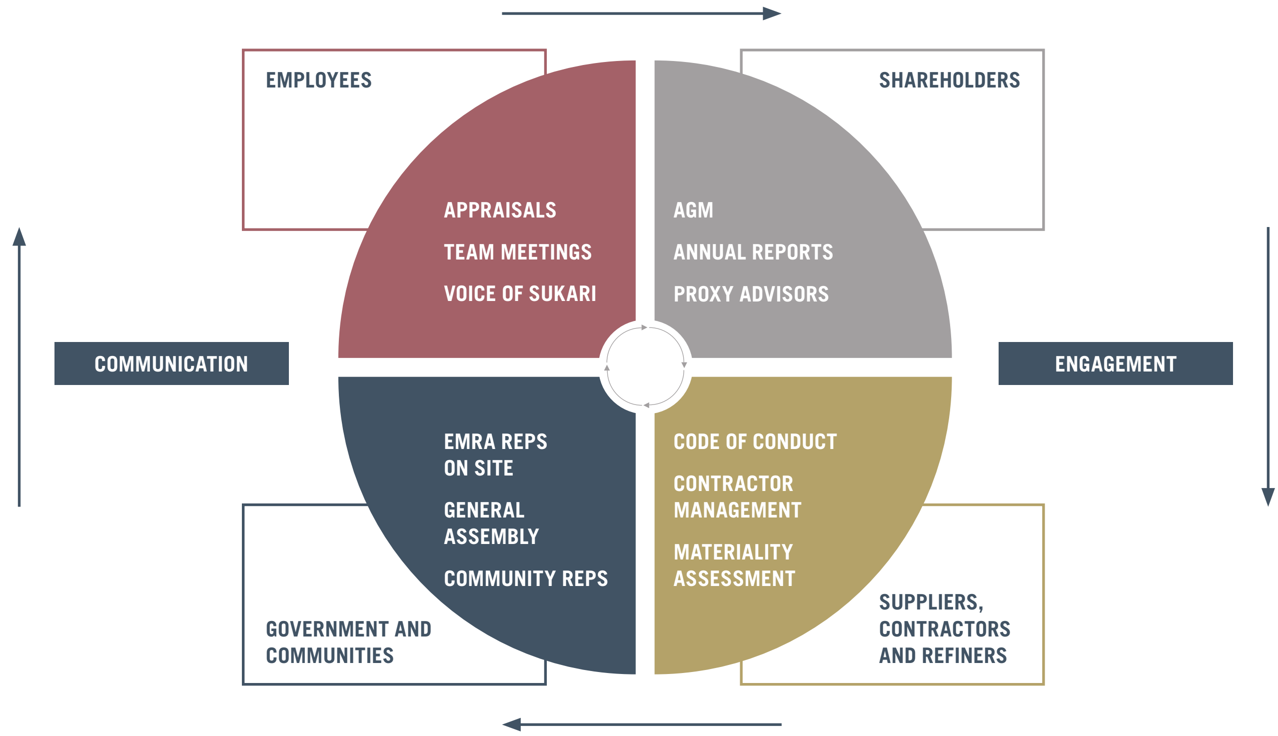
Our Policies
See ways in which we are developing our policy framework in the Sustainability Committee Report to implement our strategy and reinforce our culture and values

Board and Governance structure
The Governance structure including the roles of the Board, senior leadership and responsibilities can be found on page 96 showing the accountability of the Board

Risk and Internal Control framework
To understand how the Board assesses risk, operational risks and linkages to strategic aims and monitoring of those in order to deliver the strategy in line with our culture and values

In accordance with the board charter, it is the responsibility of the Board to understand the views of stakeholders and how they are impacted by the activities of the Group. Stakeholder engagement has to be led by the Board in order for the Board to make informed business decisions.

Continuous engagement and effective communication is facilitated across the chain of stakeholders.



To fully illustrate engagement processes, stakeholders have been grouped into key categories with an overview of their interests and how we have responded or acted to keep them informed of our principal decisions.

Engagements with stakeholders	Principal decisions during 2020
Employees There are a number of ways in which we get to understand our people on matters concerning their well-being as well as the matters of the business which are as follows: • Team meetings, regular updates and reports from the Executive and senior management to and from sites operations • Periodic mail outs, daily prestart and toolbox operational site meetings • Employee engagement forums (including the Voice of Surkari) • Stakeholder materiality assessment in line with the global reporting initiative	**Talent management programme** The Board continued to support the initiative to create opportunities for development of skills for highly talented Egyptian nationals and future leaders to aid succession. This continues to have the oversight of the Board. **Wellbeing and employee assistance** Through on-line forums employees can access professional assistance to discuss anything that concerns their physical or mental health.
Governments Members of the Board continue to have formal meetings and regular correspondence with Government officials and our partners EMRA. On site visits at Sukari continued for EMRA representatives and audits required in accordance with the Concession Agreement. Materiality assessment – to receive feedback from authorities, the results of which are set out in the Sustainability Report.	**Payments to Governments** The Board ensured that the necessary payments were made in the form of profit share, corporate taxes, royalties, exploration licence fees, mining and other licence fees.
Shareholders We engaged extensively with our shareholders and investors through numerous channels such as one-on-one meetings, AGM, annual reports and accounts, presentations, disclosures and public announcement.	**Payment of Dividends** The Board commitment to shareholder returns with the intention to distribute at least US$100 million in total dividends for each of the financial years 2020 and 2021.
Suppliers, contractors and refiners We rely on our suppliers, contractors and refiners to function efficiently and we continue to build relationships with them that mutually benefit all sides. We continuously check whether their performance is in line with our standards or Code of Conduct.	**Policy Review** The Board continues to support the development of the supplier due diligence, assessing active human rights policies in our supply chain during tendering, site visits and development of risk assessment tools.

OUR STRATEGY

"OUR DIVIDEND POLICY MAKES FIRM COMMITMENTS ON CAPITAL ALLOCATION. SHAREHOLDER INTERESTS ARE ALWAYS AT THE CENTRE OF EVERYTHING WE DO."

Ross Jerrard, CFO

VALUE MAXIMISATION AT SUKARI

OUR STRATEGIC PILLARS	PEOPLE	ASSET QUALITY
PRIORITIES GOING FORWARD	• Continued roll-out of critical risk standards at Sukari • Human rights due diligence and responsibility within our supply chain • Pilot gender diversity and inclusion initiatives at Sukari • Employee development pathway, leadership development programme & succession plan rolled-out at Sukari	• Complete the Life of Asset Phase 2 work programmes • Process plant optimisation • Complete assessment work on the use of dynamic gas blend on trucks • Trial two lightweight truck trays, leading to decision for broader rollout • Commence installation of MineStar Edge
PRINCIPAL RISKS	Political, Legal & regulatory compliance, Infectious Disease Outbreak, Concession Governance & Management, Licence to Operate, Future of our Workforce, Evolving Environmental Expectations, SHW	Operational Performance & Planning, Geological Understanding, SHW, Future of our Workforce, Single Project Dependency, Infectious Disease Outbreak

The Board are confident and committed to the Company's strategy to create value and returns for stakeholders by maximising the value of its asset base – through disciplined reinvestment, attracting and retaining the right people, executing the right process – and promoting further growth and diversification, both organically and through accretive opportunities.

GROWTH AND DIVERSIFICATION

COMMITMENT TO STAKEHOLDER RETURNS

FINANCIAL FLEXIBILITY

- Progress the 36MW DC Sukari solar project construction
- Deliver on cost-savings initiatives
- Identify additional cost-savings opportunities

Operational Performance & Planning, Exploration, Concession Governance & Management, Single Project Dependency, Gold Price, Infectious Disease Outbreak, Litigation, Political

STAKEHOLDER RETURNS

- Socio & economic: reinforce opportunities of local economic participation in the supply chain and strengthen governance of community investment
- Environmental: alignment with good industry practice including RGMP, TCFD and GISTM

Operational Performance & Planning, Exploration, SHW, Evolving Environmental Expectations, Future of our Workforce, Licence to Operate, Concession Governance & Management, Single Project Dependency, Gold Price, Infectious Disease Outbreak, Litigation, Legal & regulatory compliance, Political

ACTIVE GROWTH PIPELINE

- Mineral resource updates for Doropo and ABC projects
- Strategic reviews to be completed for Batie, Doropo and ABC projects ahead of further capital allocation
- Commence a full Sukari tenement exploration programme
- Finalise negotiations on the fiscal terms of new exploration ground in Egypt's Arabian Nubian Shield, and commence exploration

Geological Understanding, Exploration, Legal & Regulatory Compliance, Political

OUR STRATEGY IN ACTION

We operate a long-life asset and as custodians, it is our responsibility to preserve the integrity of our asset base and capital (human, social, physical and financial).

At Centamin it is not just a commitment, it's a mindset that we are guests of our operating countries and it is our responsibility to give back.

PERFORMANCE IN 2020

PEOPLE

"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."

0.84 LTIFR
a 41% improvement

95%
of the direct workforce are local to the country of operation

5.16 TRIFR
a 28% improvement

12 hours
of workplace development training per employee

1,709
total direct workforce
(3,133 individuals employed including contractors)

Constructing
new workforce accommodation and facilities ahead of schedule and on budget

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."

14.3 Moz
Group gold resource (M&I)

Installed
Reutech MSR250 survey radar system to monitor pit stability

5.0 Moz
gold reserve at Sukari (P&P)

95%
processing plant utilisation

58,307
metres drilled underground

87.8%
metallurgical recoveries

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."

US$719/oz
cash costs of production

53%
EBITDA margin

US$44m
removed in cost-savings

US$142m
Group free cash flow

US$829m
record revenue generation

US$310m
cash and liquid assets, as at 31 December 2020

STAKEHOLDERS RETURNS

"WHERE WE DRIVE TO GENERATE LONG-TERM VALUE FOR OUR STAKEHOLDERS, WE ALSO STRIVE TO MINIMISE OUR ENVIRONMENTAL FOOTPRINT THROUGH IMPROVED OPERATING EFFICIENCIES AND TECHNOLOGY."

37.6 CO_2-e
milled emissions intensity

US$173m
in paid and proposed dividends

20.1%
of waste rock mined and reused

US$2.0m
in community investments

US$199m
in profit share and royalty payments to Egyptian government partners

US$181m
value of goods and services procured from local suppliers

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."

TSF2
completed on time under budget

7,800
metres drilled at ABC Project

Restructured
the approach to geology to focus on maximising the asset and growth opportunities

Strategic Reviews
underway on our West African portfolio for completion in H1 2021

74,000
metres drilled at Doropo Project

Applied
new exploration ground in Egypt

KEY PERFORMANCE INDICATORS

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

FINANCIAL (1)

REVENUE

(US$ million)

2020	828.7
2019	652.3
2018	603.2
2017	675.5

+27%

BASIC EARNINGS PER SHARE ("EPS")

(US cents)

2020	13.53
2019	7.59
2018	6.50
2017	8.38

+78%

ADJUSTED EBITDA (1) R

(US$ million)

2020	437.6
2019	280.1
2018	258.8
2017	309.8

+56%

ADJUSTED FREE CASH FLOW (1) R

(US$ million)

2020	141.8
2019	74.3
2018	63.4
2017	145.6

+91%

TOTAL CAPITAL INVESTMENT R

(US$ million)

2020	138.4
2019	97.6
2018	96.8
2017	87.1

+42%

DIVIDEND PER SHARE ("DPS")

(US cents)

2020	9.0
2019	10.0*
2018	5.5
2017	12.5

-10%

R 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.

(2) Dividends attributable to the financial year

Why we measure	Performance
Measuring revenue is key to understanding the profitability of the business. It reflects gold sales and price and can be combined with various metrics to see the percentage of revenue flowing through to the bottom line.	Revenues of US$828.7 million were up 27% on the prior year (2019: US$652.3 million) with a 26% increase in realised gold prices and less than a 1% change in ounces sold.
We aim to grow EPS consistently, recognising the potential impact of market volatility on results in the short-term.	EPS of 13.53 pence grew by 78% from 2019 with higher revenues and lower production costs contributing factors.
EBITDA gives an indication of the Company's ability to generate profit from gold sales.	Adjusted EBITDA increased by 56% to US$437.6 million, as a result of a 26% increase in average realised gold price alongside a 4% decrease in mine production costs.
Free cash flow allows Centamin to pursue opportunities that return shareholder value.	Free cash flow of US$141.8 million generated in 2020, up 91% on the prior year (2019: US$74.3 million) due to a stronger realised gold price.
It is vital for the longevity of our assets that we invest sufficient capital in the business to maintain, optimise and grow operations.	US$138.4 million spent in 2020 (2019: US$97.6 million) of which US$103 million was sustaining capital and US$35m was non-sustaining capital.
Alongside growth, value is returned to shareholders through our dividend. Centamin has a strong track record of delivering income to its investors.	Proposed and paid dividend per share in 2020 of 9.0 cents*, including the final proposed dividend of 3.0 cents, subject to shareholder approval.

LINKS TO STRATEGY

PEOPLE

ASSET QUALITY

STAKEHOLDER RETURNS

FINANCIAL FLEXIBILITY

ACTIVE GROWTH PIPELINE

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.

OPERATIONAL

GROUP MINERAL RESOURCES

(Million ounces)

-7%

GOLD PRODUCTION ®

(Ounces)

-6%

CASH COSTS OF PRODUCTION (1) ®

(US$ per ounce produced)

+3%

ALL-IN SUSTAINING COST (1) ®

(US$ per ounce sold)

+10%

TOTAL MATERIAL MOVED ®

(Million tonnes)

+1%

METALLURGICAL RECOVERY ®

(% of gold recovered per tonne of processed ore)

-0.4%

® 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.

Why we measure	Performance
Mineral Resources underpin the Group's operating sustainability. Extending mine life through brownfield exploration and new discoveries from greenfield exploration contribute to the Company's long-term growth prospects.	Group Measured and Indicated Mineral Resources reduced by 1Moz at Sukari due to 18 months of depletion and updated reporting parameters, including open pit slopes and gold price.
Centamin aims to produce the optimal amount of gold based on operational capacity and gold distribution within the orebody. Gold production needs to generate sufficient revenue to cover operating costs and allow Centamin to deliver its strategy.	Gold production for 2020 was 452,320 ounces, within the restated guidance range of 445–455,000 ounces.
It is vital to ensure our per ounce operating costs are as low as practically possible to maximise profitability when gold prices are high and ensure profitability in a declining gold price environment.	Cash costs of production [(1)] were US$719 per ounce produced, better than the guidance range of US$740–790 per ounce.
The AISC aims to capture typical operational and capitalised costs. We aim to maintain a strong position on the cost curve whilst ensuring we are investing sufficiently to sustain operations.	AISC [(1)] were US$1,036 per ounce sold, within the guidance range of US$950–1,050 per ounce sold.
Total material movement serves as an indication of operational effectiveness. If the fleet remains constant and material moved increases, it demonstrates better utilisation.	Record material movement in 2020, of 80.8 million tonnes of open pit and underground, ore and waste, reflecting the focus on open pit waste stripping and underground development.
Recovery is the percentage of gold successfully extracted for sale from the ore. Higher recoveries will improve per ounce unit costs, generate higher revenue and increase free cash flow.	The metallurgical recoveries in 2020 were 87.8%.

LINKS TO STRATEGY

PEOPLE

ASSET QUALITY

STAKEHOLDER RETURNS

FINANCIAL FLEXIBILITY

ACTIVE GROWTH PIPELINE

We proactively work to ensure health and safety is a mindset, not just a procedure.

ENVIRONMENTAL AND SOCIAL

GROUP LTIFR (R)

(per 1,000,000 hours worked)

2020	0.84
2019	1.43
2018	0.31
2017	1.12

-41%

LOCAL EMPLOYMENT (R)

% of Group total workforce

2020	95
2019	95
2018	96
2017	91

SUSTAINED

LOCAL COMMUNITY INVESTMENT

(US$m invested in local community projects)

2020	US$1.97m
2019	US$0.59m
2018	US$0.75m
2017	US$0.49m

+230%

LOCAL PROCUREMENT

% of total procurement

2020	61
2019	61
2018	58
2017	45

SUSTAINED

MAJOR ENVIRONMENTAL INCIDENTS (R)

(Reportable Level 4 or 5)

2020	0
2019	0
2018	0
2017	0

SUSTAINED

GHG EMISSIONS INTENSITY (R)

Scope 1&2 kWh/ tonne milled

2020	37.6
2019	33.9
2018	33.6
2017	n/a

+11%

(R) Links to the shareholder approved Remuneration Policy and through the short term and long-term incentives.

Why we measure	Performance
An indicator of safety in the workplace and the effectiveness of our management controls to protect our workforce.	Group LTIFR improved by 41% on 2019, to 0.84 per 1,000,000 hours worked. There were seven lost time injuries at Sukari from a total of 9,501,207 hours worked in 2020.
An indicator of the socio-economic benefit to our host communities and the effectiveness of our measures to enhance local economic participation.	Consistent with 2019, 95% of Centamin's workforce are employed locally to the country of operation.
An indicator of commitment to support the development needs and aspirations of our host communities.	US$2.0 million was invested in local community projects in 2020, predominantly financial and logistical support towards COVID-19 response programmes.
An indicator of the socio-economic benefit to our host communities and the effectiveness of our measures to enhance local economic participation.	Consistent with 2019, 61% of all goods and services are procured from suppliers local to the country of operation.
An indicator of environmental impact and the effectiveness of our management controls to protect the bio-physical environment.	No major reportable environmental incidents.
An indicator for CO_2 emissions relative to mine production and the effectiveness of our programmes to reduce our exposure to climate-related risk.	Increase of 11% in GHG emissions intensity association with the installation of new fixed plant and increased power demand in the grinding circuit, underground ventilation and seawater abstraction.

LINKS TO STRATEGY

PEOPLE

ASSET QUALITY

STAKEHOLDER RETURNS

FINANCIAL FLEXIBILITY

ACTIVE GROWTH PIPELINE

OPERATIONAL REVIEW

HEALTH & SAFETY

Centamin's priority is to create a safe work environment which supports a healthy and productive workforce. Safety is at the centre of our workplace culture. 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.

Both leading and lagging indicators have been reinforced across the workplace ensuring all employees are empowered with the skills and knowledge to operate safely and the awareness and responsibility to mitigate risks and respond to instances where the controls have been compromised. Regular reviews of the site risk register to ensure all controls for known risks are relevant, effective and new risks identified and included.

In 2020, improvements in our safety leadership culture were evident by a 41% improvement in the Group Loss time injury frequency rate ("LTIFR"), from 1.43 to 0.84 per one million site-based hours worked. There were seven lost time injuries recorded in 8,335,975 site-based hours worked. Total recordable injury frequency rate ("TRIFR") was 5.16 per one million site-based hours worked.

CO-EXISTING WITH COVID-19

Hazard awareness and emergency preparedness is fundamental to effective safety management. In response to COVID-19, early action was taken to safeguard our workforce and secure our assets in line with our Emergency Response Framework, and the advice of governments and health authorities. A COVID-19 Executive Committee was established to provide oversight during the pandemic, supported by multifunctional teams and a framework led by Risk and Operations, including daily workforce and supply chain risk reviews.

Centamin has been proactive in how it manages and mitigates the impacts within its control and to date the Company's protocols have been successful in managing the process without any material impact on our operations, by enforcing mandatory screening of employees and contractors, isolating suspected personnel, tracking and tracing programme; and the establishment of a managed isolation facility to provide care and treatment to infected workers. Increased fatigue management measures were taken, including shorter shifts and increased headcount to support longer rosters.

In collaboration with some of our on-site partners, medical equipment has been donated to the Marsa Alam Hospital, situated in Sukari's local community. The donation includes diagnostic equipment, which is capable of detecting, amongst other diseases, COVID-19 and identifying the appropriate level of treatment required. Further to this, Sukari has its own dedicated equipment to provide initial testing capability.

The impact and potential duration of the COVID-19 pandemic continues to remain uncertain although we recognise the positive steps being taken globally. 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.

Further details of the safety initiatives and employee welfare are set out in the Sustainability Report.

Corporate social responsibility considerations

- Donated US$650,000 to the Egyptian COVID-19 relief efforts nationally
- Established local community support in the Marsa Alam area
- Procured and donated medical supplies and equipment for distribution in West Africa both nationally and in local communities
- Donated medical equipment to a Marsa Alam Hospital, which is capable of detecting, amongst other diseases, COVID-19

> IMPROVING FUTURE MINING OPTIONALITY AND FLEXIBILITY IS A KEY FOCUS OF THE OPEN PIT AND UNDERGROUND MINE PLANNING.

Centamin took early action to protect the health, safety and wellbeing of our employees and communities

In what remains an uncertain environment we believe we have taken the following steps to manage the issues which are within the company's control. The initial proactive response has been adapted to operating as a new normal.

EMERGENCY RESPONSE FRAMEWORK

Prevent and maintain

To safeguard our workforce and the local communities by limiting the spread of infection whilst securing the operations

- Engagement with our host governments and local communities
- Established clear response reporting lines including a COVID-19 Executive Committee and COVID-19 support teams
- Increased safety and hygiene protocols
- Supply chain assessment and engagement with key suppliers
- Disciplined cash management and capital allocation with temporary deferral of non-essential capital projects

Protect and transition

To continue with the initial objective whilst preparing for the resumption of key activities where appropriate

- Introduced rigorous personnel screening at site supported by specialist providers and on-site capabilities
- Test, Track, Trace and Isolate approach established supported by dedicated facilities at site
- Ongoing supply chain assessment and reviews regularly held
- Introduced additional support for our personnel with enhanced health and wellbeing benefits

CO-EXISTING WITH COVID-19

To continue to adapt the processes and procedures to operate responsibly and sustainably in co-existence with COVID-19

- Introduced 'new normal' to a number of areas including rostering, screening, visitors and returning personnel
- Adapted protocols for all personnel with regards to increasing support available and encouraging personal accountability
- Allocation of capital to the ongoing management of COVID-19
- Appointment of on-site Chief Medical Officer supported by viral and infectious disease specialism

WITH NO MATERIAL DISRUPTIONS TO DATE WE CONTINUE TO CLOSELY MONITOR COVID-19 DEVELOPMENTS GLOBALLY

SUKARI GOLD MINE, EGYPT

2020 vs 2019

In 2020, Centamin operations comprised of open pit, underground and dump leach. Gold production of 452,320 ounces was in line with the Company's restated guidance of 445–455,000 [1], and was 6% less than the prior twelve months in 2019 (year-on-year).

The Company revised the annual production guidance on 2 October from 510–525,000 ounces to 445–455,000 when slope radar technology detected excessive movement within a localised area of the open pit west wall. Mining was suspended on the west wall, the area was secured and assessed before implementing a mitigation plan.

This type of incident is not unusual, and the operating team's speed and response were exemplary which prevented any failure. This rendered the higher-grade Stage 4 west area of the pit unavailable for ore mining and due to historical open pit scheduling, only the lower grade (0.7–0.9 g/t Au) Stage 5 north was available to be mined, thereby resulting in the revised production guidance.

In order to mitigate against this type of incident in future the open pit mining sequence is being redesigned to introduce greater flexibility into the open pit mining operations which will support increased confidence in meeting our stated production targets in the future. In December, the Company contracted Capital Ltd ("Capital") to complete a 120Mt waste-stripping programme in the Eastern section of the open pit over the next four years. Capital mobilised their fleet and team ahead of schedule and commenced material movement at the end of February 2021.

In 2021, annual production guidance is between 400–430,000 ounces with a focus on waste-stripping to improve flexibility and access higher-grade sections of the open pit. Optimisation studies across the respective sections of the Sukari operation are ongoing, identifying cost reduction and performance enhancing opportunities, to increase free cash flow margins, as well as guide operations for medium and long-term planning and capital expenditure derivation. Ongoing focus remains on improving operational efficiencies and productivity metrics with US$44 million of savings delivered in 2020.

Costs

Absolute cash costs of production were US$325.2 million, a 2% decrease year-on-year due to reduction in fuel pricing and the movement in inventory [(2)] including increase in run of mine ("ROM") stockpiled material. Unit cash costs of production were US$719/oz produced, a 3% increase year-on-year, due to lower volumes produced.

Absolute AISC for gold sold was US$485.5 million, an 11% increase year-on-year, reflecting the 21% scheduled increase in sustaining capital expenditure. Unit AISC were US$1,036 per ounce sold, a 10% increase year-on-year.

In 2021, cash cost of production is expected to be between US$800–US$900 per ounce produced and AISC between US$1,150–US$1,250 per ounce sold.

Open pit mining

Total open pit ore mined was 15.7Mt, a 9% increase year-on-year, at an average grade of 0.97g/t, which was a 21% improvement year-on-year, predominantly driven by mining in the higher-grade Stage 4 north and west.

The strip ratio was 4.1 (waste:ore). Total open pit waste material mined was 64.1Mt, a 0.2% increase year-on-year. Utilising the Company's owner-operator fleet, an accelerated waste-stripping programme commenced in Q4, focusing on:

- Stage 5 west wall pushback and Stage 4 west remediation to recommence mining H2 2021
- Eastern area preparation works ahead of commencement of the contractor waste-stripping programme
- Pioneering works on the north section of the Sukari hill in preparation to commence open pit mining on the Cleopatra zone

The open pit delivered 11.3Mt to the plant, at an average milled grade of 1.15g/t. A total 0.7Mt, at an average grade of 0.39g/t, was delivered to the dump leach pads. Stockpiles increased from 13.9Mt at 0.46g/t to 17.5Mt an average grade of 0.47g/t in 2020.

Focus will continue to be on increasing the number of available working areas through an accelerated waste stripping programme.

Underground mining

During 2020, Total ore mined was 0.6Mt at an average total grade of 5.0g/t. This represented a 42% decrease in tonnes year-on-year and a 6% decrease in grade year-on-year, due to the underground focus on infrastructure upgrades and waste development to improve operating flexibility and longer term mine planning.

The underground ore split was:

- 375kt of ore mined from stopes, at an average grade of 6.1 g/t, a 39% decrease in tonnes year-on-year and a 12% decrease in grade year-on-year.
- 250kt of ore mined from development, at an average grade of 3.3g/t, a 47% reduction in tonnes and a 3% increase in grade year-on-year.

In Q4, Stage 1 of the ventilation upgrades was completed, creating two ventilation districts for improved circulation. Stage 2 of the ventilation upgrades has commenced, preparing the underground for mining to continue at depth.

For the medium term, Ptah will provide the primary source of underground ore. Ptah style of mineralisation is lower-grade, wider stockworks. Mining in the higher-grade but narrower mineralisation, will finish in 2022. At depth, Horus is a key target for growth. Throughout 2021 and beyond, Horus will be drilled and developed to improve the geological understanding and resource and reserve potential.

Backfilling will continue during 2021, using cemented rock fill ("CRF"), which allows a bottom-up mining method. This has proven effective at maximising extraction of the orebody, improving geotechnical ground support, and reducing overall dilution and good for waste management in the underground operations. Study and design work is well advanced for the implementation of paste fill plant in 2022, which will replace CRF where possible.

Processing

The plant processed 11.9Mt of ore, a 7% decrease year-on-year, at an average feed grade of 1.35 g/t, 5% higher year-on-year. The metallurgical gold recovery rate was 87.8%, less than a 1% reduction year-on-year. The plant utilisation was 95.3%.

Throughout 2020, routine plant maintenance, including mill relining and mantle changes were successfully carried out by the workforce in lieu of restricted site access to third parties due to COVID-19.

Dump leach operations contributed 6,542 ounces, a 24% reduction year-on-year in line with the mine plan.

The focus continues to be on maximising operational margins on plant throughput. In line with cost optimisation and performance studies, 2021 throughput is expected to be between 12.0–12.5Mtpa, 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 2021.

(1) Annual guidance updated as of 2 October 2020

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

Table 2. Operational summary

	units	FY 2020	Q4 2020	Q3 2020	Q2 2020	Q1 2020	FY 2019	Q4 2019
Open pit								
Total material mined	kt	79,774	21,324	17,682	20,266	20,501	78,391	17,385
Ore mined	kt	15,656	3,553	3,805	4,122	4,176	14,372	4,006
Ore grade mined	g/t Au	0.97	0.74	1.01	0.98	1.12	0.80	0.98
Ore grade milled	g/t Au	1.15	0.72	1.28	1.27	1.32	0.90	1.19
Underground								
Ore mined	kt	625	165	139	168	154	1,087	232
Ore grade mined	g/t Au	4.99	3.66	5.38	5.99	4.98	5.32	6.45
Processing								
Ore processed	kt	11,913	2,911	2,931	2,994	3,077	12,859	3,044
Feed grade	g/t Au	1.35	0.86	1.48	1.52	1.50	1.28	1.60
Gold recovery	%	87.8	88.6	87.4	88.0	87.5	88.1	89.5
Gold production	oz	452,320	67,996	128,240	130,994	125,090	480,528	148,387
Gold sold	oz	468,681	79,535	118,617	130,745	139,784	470,020	137,065
Avg realised gold price	US$/oz	1,766	1,887	1,933	1,731	1,587	1,399	1,487
Cash costs	US$'000 produced	325,188	73,445	87,457	81,868	82,417	333,037	89,676
AISC	US$'000 sold	485,478	128,286	113,971	117,135	126,089	439,317	108,333
Unit cash costs	US$/oz produced	719	1,080	682	625	659	699	605
Unit AISC	US$/oz sold	1,036	1,613	961	896	902	943	792

CAPITAL PROJECTS

Total capital expenditure in 2020 was US$138 million, including US$103 million of sustaining and US$35 million non-sustaining capex. Due to measures taken to safeguard our workforce and operations, non-essential capex was deferred as to minimise third party access to site. Furthermore, restricted third party access to site resulted in some capital savings through utilising onsite workforce and equipment instead of third party.

Tailings storage facility

Construction of the second downstream tailings storage facility ("TSF2") was completed ahead of schedule and under budget. Based on current production rates, TSF2 will extend tailings deposition beyond 2030. Preparation work for TSF1 closure and rehabilitation is scheduled to commence in 2021.

36MW DC solar project

Phase 1 development of the Sukari solar project progressed at a reduced rate during 2020, with a focus on front-end engineering and design ("FEED") work and preparatory site works across the 60-hectare site area ahead of construction commencing. The high-voltage switchgear upgrade is 61% complete.

New employee camp

The new camp infrastructure and workforce facility upgrades continued over the year and are now c.80% complete. The health, wellbeing and safety of our people remain as always, a central focus. Eight new accommodation buildings, a new gym, a communal rest area and a football pitch are amongst many improvements underway and are on track for completion in Q2 2021.

Life of Asset review

The Company commenced a LOA review at Sukari in 2019, to develop medium to long term plans which seek to optimise the Sukari operations. The review comprises of a series of independent optimisations studies across the various sections of the Sukari operations (open pit, underground, processing), assessing mineral resource management, mine planning, geotechnical evaluation, plant performance, water and waste management, energy usage and exploration. Phase 1 was completed, and the findings were communicated to the market as part of a capital markets event in December, outlining the baseline medium-term outlook, opportunities and additional identified workstreams.

A focus on the open pit fleet capacity and replacement strategy has been undertaken seeking to provide increase in mining capacity against a capital and operating cost trade off. Consistent with our strategic focus to create value over volume, a key priority of the LOA Phase 2 review is to identify further cost-saving opportunities and operational efficiencies. These workstreams are underway, including programmes to reduce the Group's carbon emissions, and are expected to be completed by Q4 2021, which will feed into an optimised life of mine plan.

MINERAL RESOURCE MANAGEMENT

Orebody stewardship

In 2020, Centamin made a significant shift in how it approached geology and orebody definition. In Q3, a Group Mineral Resource Manager and Group Exploration Manager were recruited, and mineral resource management was incorporated into Centamin's operating model as a new function. Mineral resource management is responsible for the Group's orebodies – orebody stewardship – and managing them effectively to ensure maximum value is extracted, including mine geological data collection, modelling, reconciliation and planning to optimise the mine plan and economic ounce extraction.

Throughout H2, substantial progress was made developing our exploration and mineral resource management teams and implementing the systems and processes by which it evaluates and sustainably operates the assets under management. This included restructuring of the open pit and underground geological function ensuring the resource models effectively drive planning, mining, exploration and the near-mine growth strategy at Sukari.

An updated approach to the management of the Sukari orebody has been implemented which seeks to maximise the returns for stakeholders through realising the full potential of the concession area.

In practice this entails:

- The comprehensive exploration of the concession area to identify all potential mineralisation, and
- The planning and operation of the mine to maximise the extraction of economic ore reserves

The geological leadership team has undertaken a comprehensive review of the current geological dataset and procedures employed at Sukari. Several initiatives are now underway that will deliver a robust geological framework and mineral resource estimates which will support long term plans.

Please refer to the Group's detailed Mineral Resource and Reserve statements on page 216.

Mine design and operating strategy

Centamin is employing a consistent approach to the estimation of Mineral Reserves using economic cut off grades in both the open pit and underground. The mining operations are focused on the generation of cashflow rather than headline ounce production for the balance of the operating life. This approach is further considered against maintaining the life of the asset given the potential for further discovery in the concession (some of which is described below) and regionally.

Open pit design

Through the implementation of disciplined economic analysis, the open pit has been redesigned, thereby improving its value while simultaneously reducing operating risk. Updated operating cost assumptions (reflecting previously disclosed cost-saving programmes), and geotechnical drilling assessment (which have confirmed minor reductions in the east and west wall slope angles) have been incorporated into the updated long-term mine planning and open pit design.

Whilst enhancing value, there is a reduction of approximately 35Mt of medium-grade ore within the improved open pit representing approximately 0.75–0.8Moz from the estimated reserves. These ounces were originally planned for extraction at the end of mine life according to the previous mine plan, following significant waste-stripping and at the long-term gold price assumption used for planning of US$1,450/oz. The reduction in revenue from the change in reserve ounces is more than offset by the reduced waste stripping costs. Additionally, we believe that there are other targets identified in the resource base, which have the potential to be mined sooner and more profitably. The new modelled pit shell is robust down to an assumed gold prices of US$1,350/oz, resulting in a limited difference in mine life.

Underground mine design

Through the implementation of disciplined economic analysis, the underground has been redesigned improving its value while reducing operating risk. The economic cut-off grade of 1.6g/t is used for the stope design. Dilution estimation and stope shape design applied are consistent with the stope geometry and mining method throughout. Backfill will continue to be used to maximise extraction, preserve grade and improve geotechnical control.

The 2021 underground mineral reserve estimate is focused on the lower grade Ptah zone of the orebody.

Sukari exploration programme

We are in the process of executing surface and underground exploration campaigns, a 30km relogging programme of existing core and completion of an updated structural model with the aim of identifying potential resource growth targets. It is planned that the results of these programmes will be incorporated into the LOA Phase 2, which is due in Q4 2021.

The comprehensive exploration of the Sukari concession to identify all available potential ore sources is a key element of the long-term stewardship philosophy. The geological team has identified numerous opportunities to extend the life of mine at Sukari in both the open pit and underground settings. The 2021 Sukari mine development and exploration is expected to be US$26 million, including approximately 150,000 metres of diamond and reverse circulation drilling to support improved operational delivery and life of mine growth.

Open pit opportunities:

- **Stage 5 & 6 west infill:** Mineralisation previously mined above Stage 5 and 6 west has demonstrated better continuity than the resource block model in ore tonnes and grade. A 20km drilling programme is underway to infill this zone, where data is limited, to improve the geological understanding of the area.
- **Cleopatra:** An infill drilling programme is planned for 2021 to improve the dataset and geological understanding of this area. The better delineation of ore and waste in this area has the potential to further improve mine planning.

- **Northeast zone:** The deeper lying mineralisation in the north east of the orebody has the potential to be converted back to reserves with further work. On-going initiatives regarding reduced operating costs and improved productivity will contribute to this initiative, assessment of potential geological upside and the opportunity to convert a portion of the waste in this area to ore reserves by drilling will reduce the strip ratio and improve economic viability of these ounces.
- **Concession surface potential:** Surface exploration programme is underway with a budget of US$5–6 million. Multiple new targets have been identified within the concession area – target generation and prospectivity ranking will be completed during Q2 2021. Systematic drill testing will be undertaken in the second half of 2021 to identify potential satellite orebodies that can generate mill feed for Sukari.

Underground opportunities:

- **Extensional Model:** With underground operations moving to having at least twelve months grade control ahead of production underground drilling will move to the implementation of an extensional resource drilling strategy away from the current replacement / depletion model.
- **Amun/Ptah:** Detailed review of the geological database indicates that there is approximately400koz of inferred material located close to existing underground mining infrastructure in the Amun and Ptah areas of the underground. A programme is underway to upgrade the classification of this material with the aim of supporting an assessment of its potential for mining. Given this material's proximity to existing underground infrastructure, if ore delineated can be quickly brought into the mine schedule, not only increasing the reserve base, but improving operational flexibility with limited development costs.
- **Bast:** The area linking Ptah and Amun has previous mining in this zone which has delivered excellent grades from narrow vein targets. A refocus on this area's geological potential is already proving encouraging with some excellent drilling results achieved in early 2021. Given the proximity to existing infrastructure exploration success in this area can be brought quickly into the mine plan.
- **Horus:** Represents the main depth extensions of underground resource and underpins the known medium to long term significant growth potential of the orebody. The current drilling campaigns are returning encouraging grades and widths that continue to demonstrate the potential for Horus to support the long-term growth of the underground operations.

WE BELIEVE THERE ARE SIGNIFICANT OPPORTUNITIES TO UNLOCK FURTHER ECONOMIC POTENTIAL AT SUKARI BY DEVELOPING A ROBUST GEOLOGICAL MODEL.

Craig Barker, Group Mineral Resource Manager

Note to Operational Review: 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.

EXPLORATION REVIEW

Exploration is core to our business model – developing and maintaining an active pipeline of prospective targets throughout the evaluation stages.

Egypt

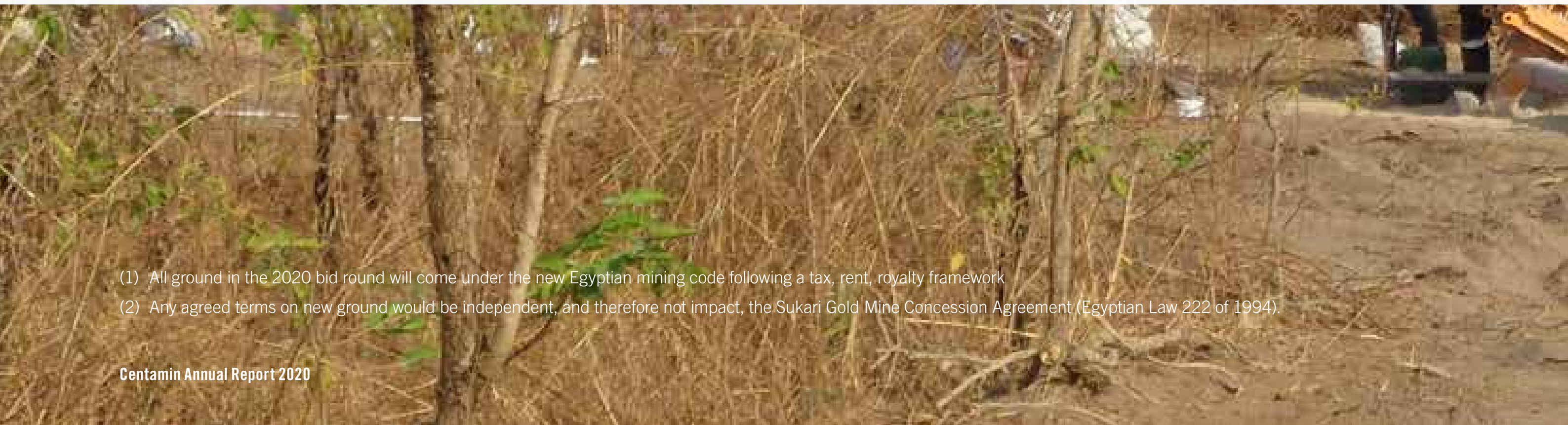
The Sukari Concession Agreement applies across the $160km^2$ tenement. The overall objective is to improve the understanding of the Sukari mineralised system and the geology of the full tenement area to generate new drill targets. Exploration of the Sukari orebody was primarily focused on the underground with a combination of grade control to support mine planning, infill drilling to upgrade resource classification and extensional drilling to support orebody growth to underpin the extension of the underground mining operations.

West Africa

Centamin's West African exploration licences in Côte d'Ivoire and Burkina Faso are in the highly prospective Birimian terrane, which is one of the most prolific gold producing areas in Africa. The company has 14 permits, covering some $2,986km^2$ in Burkina Faso and Côte d'Ivoire, with a further $5,310km^2$ under application.

In 2020, a total of US$14.6 million was spent on exploration activities at the Doropo and ABC projects Côte d'Ivoire. All scheduled drill programmes were completed and delivered under budget. At Doropo, located in northeast Côte d'Ivoire, approximately 74,000 metres of reverse circulation ("RC") drilling was completed across the Kilosegui, Vako and Atirre prospects. At ABC, located in western Côte d'Ivoire, approximately 7,800 metres of diamond and reverse circulation drilling was completed on the Kona prospect.

In addition to the extensive drilling works carried out at Doropo and ABC during 2020, a hi-resolution airborne geophysical (magnetics and radiometrics) survey was carried out at the ABC project, covering 60km of strike along the Sassandra fault zone which traverses from north to south through Centamin's FarakoNafana and Kona exploration permits.



(1) All ground in the 2020 bid round will come under the new Egyptian mining code following a tax, rent, royalty framework

(2) Any agreed terms on new ground would be independent, and therefore not impact, the Sukari Gold Mine Concession Agreement (Egyptian Law 222 of 1994).

ARABIAN NUBIAN SHIELD

EGYPTIAN BID ROUND AWARDS

The Company's government partners, The Egyptian Mineral Resources Authority ("EMRA"), launched an exploration bid round process for a series of blocks [1] covering the Eastern Desert in Egypt.

Centamin submitted bids for several prospective blocks in September. On 19 November 2020, the Minister of Petroleum & Mineral Resources, Tarek El-Molla gave a press conference, naming Centamin, along with several other international and Egyptian mining groups, as being successful bidders, subject to the agreement of mutually acceptable terms for their award. To this end, Centamin is currently in negotiations with government to agree mutually acceptable terms [2] for the exploration and exploitation phases. Exploration work shall only commence following conclusion of the negotiations and the final award of the bid blocks.

The Arabian Nubian Shield is one of the few remaining underexplored geological terranes in Africa, which we believe has excellent potential for further world class discoveries. As the only commercial producer of gold in Egypt, Centamin is uniquely placed to leverage its existing knowledge base, infrastructure, operating experience and robust financial position to assess and develop the geological potential of Egypt and bring any discoveries to account quickly and in a cost-effective manner.

Find out more at www.centamin.com

Mineral Resource Estimate ("MRE") updates and project strategic reviews are currently underway to define the scope for further exploration and project studies. This work is scheduled for completion in Q2 2021. Until this work is complete, assessing the projects against the Company's project hurdle rates and exploration decision points, no further exploration capital will be allocated.

As we outline opportunities, we understand the inherent risks associated with exploration. For further detail please refer to our Risk Review section and our Principal Risks page 66.

CFO'S STATEMENT

> IN 2020, WE DELIVERED ANOTHER STRONG FINANCIAL PERFORMANCE INCLUDING TARGETED COST REDUCTION AND IMPROVED EFFICIENCIES ACROSS OUR OPERATIONS.

CHIEF FINANCIAL OFFICER

ROSS JERRARD

Centamin is a financially robust, highly cash generative business, committed to responsible mining and balanced stakeholder returns. Our financial strategy remains consistent and while it was tested this past year with the challenges faced from the COVID-19 pandemic, it demonstrated the strength and resilience of our business.

Table 1. Group Financial Summary (1)

	Units	FY 2020	FY 2019	%	H1 2020	H2 2020
Gold produced	Oz	452,320	480,528	-6%	256,084	196,236
Gold sold	Oz	468,681	470,020	-0%	270,529	198,152
Cash cost	US$'000	325,188	333,037	-2%	164,286	160,902
Unit cash cost	US$/oz produced	719	699	3%	642	820
AISC	US$'000	485,478	439,317	11%	243,225	242,253
Unit AISC	US$/oz sold	1,036	943	10%	899	1,223
Avg gold price	US$/oz	1,766	1,399	26%	1,657	1,918
Revenue	US$'000	828,737	652,344	27%	448,754	379,983
EBITDA	US$'000	438,515	283,968	54%	255,731	182,784
Profit before tax	US$'000	314,999	173,029	82%	191,148	123,851
Profit after tax attributable to parent	US$'000	155,979	87,463	78%	74,816	81,163
Basic EPS	US cents	13.53	7.59	78%	6.49	7.04
Capital expenditure	US$'000	138,396	97,580	42%	51,731	86,665
Operating cash flow	US$'000	453,305	249,004	82%	254,675	198,630
Adjusted free cash flow	US$'000	141,768	74,341	91%	101,955	39,813

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

Another solid financial performance

Revenues increased by 27% to US$829 million, from annual gold sales of 468,681 ounces, down 0.3%, at an average realised price of US$1,766 per ounce, up 26% year-on-year. A total of 3,039 ounces of unsold gold bullion was held on-site at year end, due to timing of gold shipments.

As a Group, underlying EBITDA improved by 54% to US$439 million, at a 53% EBITDA margin (2), principally driven by higher gold prices and lower fuel costs.

Profit after tax increased by 82% to US$315 million, due to the below, with basic earnings per share ("EPS") increasing by 78% to 14 US cents.

- a 27% increase in revenue
- a 19% increase in other income, partially offset by
- a 2% increase in cost of sales
- a 46% increase in other operating costs, mainly due to a 26% increase in royalties
- a 75% decrease in gains on financial assets at fair value through profit or loss, and
- a 3% increase in exploration and evaluation expenditure.

Centamin's cash flows and earnings showed further growth in 2020. Operational cash flow improved by 82% to US$453 million, after gross capital expenditure of US$138 million predominantly invested in the long-term sustainability of the business. Adjusted Group free cash flow (3) improved by 91% to US$142 million, after profit share distribution of US$174 million to our partner, the Egyptian state.

Strong balance sheet

Centamin continues to maintain a robust financial strategy, with cash and liquid assets (4) of US$310 million as at 31 December 2020. Unique amongst our peers, Centamin has never had debt, hedging nor streaming in place, thereby maximising the strength and flexibility of the balance sheet today and offering shareholders gold exposure throughout the cycle. This strong financial discipline provides the flexibility to drive self-funded long-term organic growth and pursue strategic opportunities that meet our corporate strategy and investment criteria.

Stringent cost management

A key change in 2020, is the way we make decisions. Historically, we have been influenced by the headline ounce production profile but now and going forward, we will always look to prioritise value over production volume, as a means to maximise free cash flow generation. We are optimising our business to deliver the best value – with outcomes based on combination of revenues, operating costs and capital invested.

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

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

(4) Cash costs of production, AISC, Adjusted EBITDA, Cash, bullion on hand, gold and silver sales debtor, financial assets at fair value through profit or 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.

Annual costs were within the stated annual guidance published on 2 October 2020, and whilst the average realised gold price on sales improved 26% year-on-year, our AISC margin improved 60% to US$730 per ounce sold. Cash costs of production [(1) (4)] was US$719 per ounce produced, up 3%, reflecting a 2% increase in mined tonnes offset by a 7% decrease in processed tonnes and a 6% decrease in gold ounces produced (excluding Cleopatra from 2019 ounces). AISC was US$1,036 per ounce sold, up 10%, mainly due to a 26% increase in royalty costs, 29% increase in sustaining corporate costs, 14% increase in sustaining underground development costs and a 30% increase in sustaining capital costs complimented by a 0.3% decrease in gold ounces sold, which were anticipated.

Excellent progress was made throughout the year against our cost-savings programme, with US$44 million of gross savings delivered, before unscheduled costs of US$14 million due to COVID-19. In our 2021–2023 baseline estimates, a further US$16 million cost savings have been budgeted and as part of the Phase 2 of the Life of Asset Review, we are evaluating opportunities to extract a further US$30–40 million, in addition to the forecasts.

Investing in the future

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. The Company liquidity and strength of the balance sheet 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.

In 2020, as a precautionary move to protect the health and wellbeing of the workforce, non-essential capital expenditure was deferred, including the construction of the Sukari solar plant and purchase and delivery of new mobile equipment. This resulted in total capital expenditure of US$138 million, down from US$190 million guided prior to the COVID-19 outbreak. In 2020 the focus was on improving operational efficiencies to achieve consistent operational performance, with a split of US$103 million in sustainable capital and US$35 million in non-sustaining capital expenditure. Significant capital projects included the construction of TSF2, camp upgrades, with early works commencing on the solar plant and continuous process plant optimisation.

In addition to capital deferral, we substantially strengthened our project expertise – planning, execution, and leadership. Combined with teamwork and innovation, resulted in significant capital savings from project optimisation, taking some of the challenges faced by COVID-19 from restricted third-party site access, and yielding a positive outcome by utilising our skilled workforce and equipment more efficiently on projects such as the underground ventilation upgrades and plant maintenance.

Construction of our second tailings storage facility, which will extend our tailings capacity to 2030, was our largest capital project in the year, which we delivered on time and slightly ahead of budget. Commissioning is currently underway. Preparatory works ahead of the solar project construction, progressed well throughout the year, with site earthworks 60% complete and the civil engineering works for the high-voltage switchgear station nearly complete. Our ongoing focus of creating a positive work environment for our employees saw significant upgrades to the Sukari camp, including new accommodation. The build is 60% complete and remains on track for completion in Q2.

On 2 December we announced our three-year capital outlook to put Sukari back on the front foot by improving the long-term sustainability of the operations through increased stripping and underground development to increase mining flexibility. Investment in technology, people and training are additional critical areas as the Company continues to invest to further improve operational performance. For the years 2021 and 2022, 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.

Legal

We maintain close contact with our Egyptian legal team, keeping us informed of all legal and political developments which may impact on our current and future operations in-country. In addition, we consult regularly with the legal team advising on the current litigation. We are therefore in a position to take swift and decisive action to protect our interests in Egypt, should the need arise.

Reliable shareholder returns

1. We have a seven-year track record of returning surplus cash to shareholders, based on our policy linked to free cash flow generation. Maintaining a sustainable dividend policy is central to our strategy. Our dividend policy makes firm commitments on capital allocation, meaning shareholder interests are always at the centre of what we do: The first 30% of free cash flow is ringfenced for dividends

2. After assessing growth capital requirements, any surplus cash is returned to shareholders

Consistent with the Company's commitment to returning surplus cash to shareholders, and in line with the Company's dividend policy, the Board propose a 2020 final dividend, for the year ended 31 December 2020, of 3 US cents per share (c.US$35 million), bringing the proposed total dividend for 2020 to 15 US cents per share (c.US$173 million), of which US$69 million relates to the 2019 final proposed dividend that was changed to a first interim dividend announced in Q1 2020:

- First Interim 2020 dividend: 6 US cents per share, attributable to financial year 2019
- Second Interim 2020 dividend: 6 US cents per share, attributable to financial year 2020
- (Proposed) Final 2020 dividend: 3 US cents per share, attributable to financial year 2020

The final 2020 dividend is subject to shareholder approval at the 2021 AGM on 11 May.

For the current year, 2021, the Board reiterates its intention to recommend a minimum dividend of US$105 million, subject to final Board and shareholder approvals, which will be paid as an interim and final dividend. This reflects our confidence in the outlook for the Company during this year of investment and the strength of the Company's financial position. The long-term dividend policy of paying out a minimum of 30% of free cash flow remains unchanged.

Outlook

Our focus on cost control and productivity improvements continues with rigour. As part of the 2021–2023 baseline guidance, US$16 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. The Company has budgeted US$25 million for ongoing COVID-19 costs and increased working capital through a build-up in critical supplies. 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.

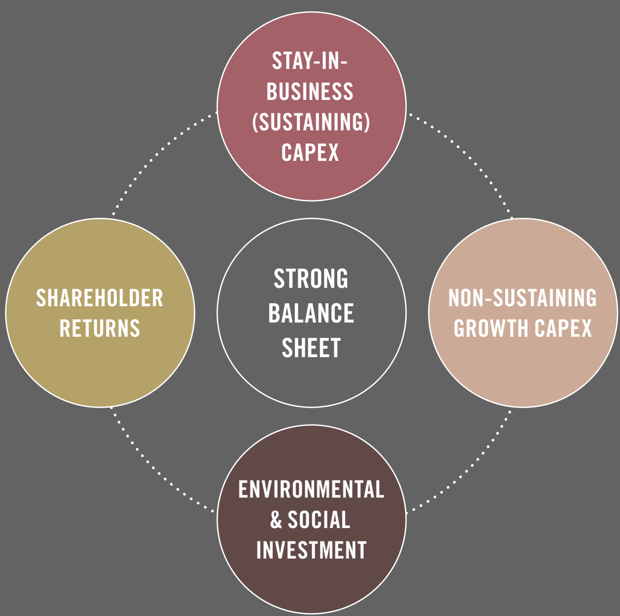
In 2021, Centamin will undertake a structured assessment of the Financial Stability Board's Task Force on Climate-related Financial Disclosures ("TCFD") with the aim to put in place a long-term climate change strategy which will identify the risks associated with climate change and the mitigations required to reduce the risks; Understand our contribution to climate change and identify areas where this can be reduced; Establish targets to address the transition to net zero emissions with specific targets and actions; and be a step change in improving our disclosure on climate change.

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

OUR CAPITAL ALLOCATION PRIORITIES

CLEAR FRAMEWORK AND BALANCED DISTRIBUTION



Underpinning our strategy, we have a risk-weighted approach to capital allocation, with clear prioritisation: sustaining capital to maintain the operating asset; social and environmental investment in local communities and host governments; payment of shareholder dividends; and then the allocation of discretionary capital to growth opportunities and optimisation projects. Our capital allocation framework balances our strategic priorities and our purpose.

Find out more at www.centamin.com

FINANCIAL REVIEW

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 December 2020 US$'000	Year ended 31 December 2019 US$'000
Revenue	828,737	652,344

Revenue from gold and silver sales for the year increased by 27% YoY to US$829 million (2019: US$652 million), with a 26% increase in the average realised gold sales price to US$1,766 per ounce (2019: US$1,399 per ounce) and a 1% increase in gold sold to 468,681 ounces (2019: 465,687 ounces net of Cleopatra) with no ounces attributable to Cleopatra in 2020.

	Year ended 31 December 2020 US$'000	Year ended 31 December 2019 US$'000
Cost of sales	(449,441)	(439,285)

Cost of sales represents the cost of mining, processing, refining, transport, site administration, depreciation, amortisation and movement in production inventories. Cost of sales is up 2% YoY to US$449 million, mainly as a result of:

- 4% decrease in total mine production costs from US$352 million to US$339 million (-ve), due to:
  - a 1% decrease in open pit mining costs (-ve);
  - a 10% decrease in underground mining costs (-ve);
  - a 14% decrease in processing costs (-ve);
  - offset by a 64% increase in finance and administration costs (+ve) related to increased payroll and consumables and catering costs mainly due to CV-19; and
  - a 64% increase in refinery and transport costs (+ve).
- 7% increase in depreciation and amortisation charges YoY from US$116 million to US$124 million (+ve) due to:
  - US$134 million in additions to property, plant and equipment (excl. capital work in progress) due to increased capital expenditure which increased the associated depreciation and amortisation charges;
  - slightly offset by lower production.
- A positive movement in inventory adjustment of US$14 million compared to positive movement in inventory adjustment of US$28 million in 2019 reflecting the movement in mining inventory over the year (+ve).

	Year ended 31 December 2020 US$'000	Year ended 31 December 2019 US$'000
Exploration and evaluation expenditure	(17,391)	(16,883)

Exploration and evaluation expenditure comprise expenditure incurred for exploration activities in Côte d'Ivoire and Burkina Faso. Exploration and evaluation costs increased by US$0.5 million or 3%.

Adjusted EBITDA was US$438million, an increase of 56% YoY, mostly driven by the 27% increase in revenue, offset by an increase in cash costs per ounce sold in the year. The EBITDA margin increased by 23%, to 53%. Profit after tax was US$315 million, up 82% YoY. Basic earnings per share was 14 US cents, an increase of 78% YoY.

	Year ended 31 December 2020 US$'000	Year ended 31 December 2019 US$'000
Other operating costs	(56,392)	(38,709)

Other operating costs comprise expenditure incurred for communications, consultants, directors' fees, stock exchange listing fees, share registry fees, employee entitlements, general office administration expenses, foreign exchange losses and the 3% production royalty payable to the Arabic Republic of Egypt ("ARE"). Other operating costs increased by US$18 million or 46% from US$39 million in 2019 to US$56 million in 2020, mainly as a result of:

- US$1 million increase in loss on disposal of assets (+ve);
- US$5 million increase in royalty paid to the government of the ARE (in line with the increase in gold sales revenue) (+ve);
- US$10 million increase in the provision for settlement of cost recovery items (+ve);
- US$3 million increase in the provision for stock obsolescence and inventory written off (+ve) offset by;
- US$1 million decrease in corporate costs mainly due to the decrease in advisory costs.

	Year ended 31 December 2020 US$'000	Year ended 31 December 2019 US$'000
Dividend paid – non-controlling interest in SGM (being EMRA)	(174,275)	(87,075)

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 are 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 2020 financial statements are currently being audited.

	Year ended 31 December 2020 US cents per share	Year ended 31 December 2019 US cents per share
Earnings per share attributable to owners of the parent:		
Basic (US cents per share)	13.531	7.588

Basic earnings per share attributable to owners of the parent of 14 US cents for 2020 increased when compared with 2019 of 8 US cents. The increase was driven by the factors outlined above.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Centamin has a strong and flexible balance sheet with no debt, no hedging and cash and liquid assets of US$310 million at 31 December 2020 (31 December 2019: US$349 million).

	31 December 2020 US$'000	31 December 2019 US$'000
Cash and cash equivalents (note 2.16(a))	291,281	278,229
Bullion on hand (valued at the year-end spot price)	5,747	29,562
Gold and silver sales debtor (note 2.7)	12,492	34,695
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	**309,520**	**348,940**

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

	31 December 2020 US$'000	31 December 2019 US$'000
Current assets		
Inventories – mining stockpiles and consumables	118,705	108,957
Financial assets at fair value through profit or loss	–	6,454
Trade and other receivables	18,424	47,061
Prepayments	8,908	6,132
Cash and cash equivalents	291,281	278,229
Total current assets	**437,318**	**446,833**

Current assets have decreased by US$10 million or 2% as a result of:

- US$10 million increase (+ve) in inventory driven by:
  - US$9 million increase in stores inventory (+ve);
  - US$2 million increase in mining stockpiles (+ve); and
  - US$1 million increase in the provision for obsolete stores inventory (-ve).
- US$6 million decrease in the financial assets at fair value through profit or loss which relates to an equity interest in a listed public company that has been fully disposed of (-ve);
- US$29 million decrease in trade and other receivables (including gold and silver sales debtor) (-ve);
- US$3 million increase in prepayments (+ve); and
- US$13 million increase in net cash (net of foreign exchange movements) (+ve) driven by the profit for the year less the payment of the 2020 Q1 and Q2 interim dividends of US$69 million each and a US$174 million payment to EMRA as distributions to the NCI.

	31 December 2020 US$'000	31 December 2019 US$'000
Non-current assets		
Property, plant and equipment	829,884	804,717
Exploration and evaluation asset	63,701	68,138
Inventories – mining stockpiles	64,870	52,658
Other receivables	103	93
Total non-current assets	**958,558**	**925,606**

Non-current assets have increased by US$33 million or 4% as a result of:

- US$148 million increase in the cost of property, plant and equipment, this included significant capital projects namely the construction of TSF2, camp upgrades, work commencing on the solar plant and continuous process plant optimisation (+ve);
- US$125 million charge for depreciation and amortisation (-ve);
- US$4 million decrease in exploration and evaluation assets, as a result of the drilling programmes in Sukari Hill offset by transfers to property, plant and equipment(-ve); and
- US$12 million increase in inventory related to mine Run of Mine ("ROM") stockpiles (+ve).

	31 December 2020 US$'000	31 December 2019 US$'000
Current liabilities		
Trade and other payables	64,488	57,411
Tax liabilities	267	227
Provisions	7,480	8,589
Total current liabilities	72,235	66,227

Current liabilities have increased by US$6 million or 9% as a result of:

- US$4 million increase in trade payables (+ve);
- US$3 million increase in accruals (-ve); offset by
- US$1 million decrease in current provisions (-ve).

	31 December 2020 US$'000	31 December 2019 US$'000
Non-current liabilities		
Provisions	32,752	14,575
Other payables	1,437	–
Total non-current liabilities	34,189	14,575

Non-current liabilities have increased by US$19 million from US$15 million at 31 December 2019 to US$34 million at 31 December 2020, mainly as a result of an increase in the rehabilitation provision and the provision for the settlement of cost recovery items. The increase in the rehabilitation provision is driven by an increase in the mining area over the year mainly due to the construction of TSF2 resulting in a greater affected area requiring rehabilitation.

	31 December 2020 US$'000	31 December 2019 US$'000
Equity		
Issued capital	668,807	672,105
Share option reserve	3,343	4,179
Accumulated profits	617,302	615,353
Total equity	1,289,452	1,291,637

Accumulated profits increased by US$2 million as a result of:

- US$315 million profit for the year after tax (+ve); offset by
- US$174 million profit share paid to EMRA in the year (-ve); and
- US$139 million interim dividends paid (-ve).

CONSOLIDATED STATEMENT OF CASH FLOWS

	31 December 2020 US$'000	31 December 2019 US$'000
Cash flows from operating activities		
Cash generated from operating activities	453,315	249,048
Income tax refund received	–	170
Income tax paid	(10)	(214)
Net cash generated by operating activities	453,305	249,004

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

Group cash costs of production were US$719 per ounce produced, up 3% YoY, predominantly due to a 6% decrease in gold ounces produced. Group AISC were US$1,036 per ounce sold, up 10% YoY due to increased costs and increased sustaining capital expenditure offset by increased gold ounces sold. Both cash cost of production and AISC are within our amended guidance range of US$740–790 per ounce produced and US$950–1,050 per ounce sold for 2020.

A stronger gold price combined with cost and capital allocation management has almost doubled net cash generated by operating activities YoY (82%) to US$453 million. Group capital expenditure, including sustaining and non-sustaining capital, was US$138 million. This was lower than budgeted due to short-term deferral of non-essential capital projects, in response to COVID-19.

	31 December 2020 US$'000	31 December 2019 US$'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	7,414	6,799
Acquisition of property, plant and equipment	(127,099)	(81,207)
Brownfield exploration and evaluation expenditure	(11,717)	(12,198)
Finance income	1,554	5,817
Net cash used in investing activities	(129,848)	(90,153)

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

	31 December 2020 US$'000	31 December 2019 US$'000
Cash flows from financing activities		
Own shares acquired	(3,298)	–
Dividend paid – non-controlling interest in SGM	(174,275)	(87,075)
Dividend paid – owners of the parent	(138,725)	(81,029)
Net cash used in financing activities	(316,298)	(168,104)

After distribution of profit share payments to Company's partner, the Egyptian government [(1)], the Group generated adjusted free cash flow of US$142 million, up 91% YoY. Profit share payments of US$174 million and royalty payments of US$25 million were made in the year. Under the terms of the Concession Agreement with our Egyptian partners, EMRA, on 1 July 2020, the profit share mechanism changed to 50:50, from 55:45 in favour of Centamin, and will remain at this level for the remainder of the tenure.

(1) All profit share payments are made to Egyptian Mineral Resources Authority ("EMRA"), a department of the Ministry of Petroleum.

CAPITAL EXPENDITURE

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

	Year ended 31 December 2020 US$'000	Year ended 31 December 2019 US$'000
Underground exploration	11,599	7,769
Underground mine development	39,197	36,852
Other sustaining capital expenditure	52,433	40,471
Total sustaining capital expenditure	103,229	85,092
Non-sustaining exploration expenditure (1)	118	8,709
Other non-sustaining capital expenditure (2)	35,049	3,779
Total gross capital expenditure	138,396	97,580

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

(2) Non-sustaining capital expenditure included the construction of TSF2, camp upgrades and work commencing on the solar plant.

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 2020.

EXPLORATION EXPENDITURE

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

	Year ended 31 December 2020 US$'000	Year ended 31 December 2019 US$'000
Greenfield exploration		
Burkina Faso	2,803	2,715
Côte d'Ivoire	14,588	14,168
Total greenfield exploration expenditure	17,391	16,883
Brownfield exploration		
Sukari Tenement	11,709	8,685
Cleopatra (1)	8	7,793
Total brownfield exploration expenditure	11,717	16,478
Total exploration expenditure	29,108	33,361

(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 trigger assessment has been performed. On review, no impairment triggers were identified.

SUBSEQUENT EVENTS

As referred to in note 5.2, subsequent to the year end, the Board proposed a final dividend for 2020 of 3 US cents per share. Subject to shareholder approval at the annual general meeting on 11 May 2021, the final dividend will be paid on 15 June 2021 to shareholders on record date of 21 May 2021.

As referred to in note 1.3.5, the Group mineral reserve and resource statement for SGM has been published with an effective date of 31 December 2020. The changes from the previous statement published with an effective date of 30 June 2019 will have a prospective effect on the amortisation of the rehabilitation asset and mine development properties. Please refer to ore reserves, note 3.1.1(i) where these sensitivities to the change has been disclosed.

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 year before tax.

Adjusted EBITDA removes the effect of transactions that are not core to the Group's main operations.

Reconciliation of profit before tax to EBITDA and adjusted EBITDA:

	31 December 2020 (1) US$'000	31 December 2019 (1) US$'000
Profit for the year before tax	314,999	173,029
Finance income	(1,554)	(5,817)
Interest expense	558	569
Depreciation and amortisation	124,512	116,187
EBITDA	438,515	283,968
Add back/less: (2)		
Profit on financial assets at fair value through profit or loss	(960)	(3,889)
Impairments of non-current assets	–	–
Adjusted EBITDA	437,555	280,079

(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 ("AISC") 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 year 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. This metric also 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 2020 (1)	31 December 2019 (1)
Mine production costs (note 2.3)	US$'000	339,012	351,745
Less: Refinery and transport	US$'000	(2,322)	(1,415)
Movement of inventory (2)	US$'000	(11,502)	(17,293)
Cash cost of production – gold produced	US$'000	325,188	333,037
Gold produced – total (oz.) (excluding Cleopatra)	oz	452,320	476,195
Cash cost of production per ounce produced	US$/oz	719	699

(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 2020 (1)	31 December 2019 (1)
Mine production costs (note 2.3)	US$'000	339,012	351,745
Royalties	US$'000	24,792	19,701
Movement of inventory (2)	US$'000	4,181	(28,254)
Cash cost of production – gold sold	US$'000	367,985	343,192
Gold sold – total (oz.) (excluding Cleopatra)	oz	468,681	465,687
Cash cost of production per ounce sold	US$/oz	785	737

(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.

		31 December 2020 (1)	31 December 2019 (1)
Movement in inventory			
Movement in inventory – cash (above)	US$'000	4,181	(28,254)
Effect of depreciation and amortisation – non-cash	US$'000	9,523	–
Movement in inventory – cash & non-cash (note 2.3)	US$'000	13,704	(28,254)

(1) In 2020 the movement of inventory on cash costs of production per ounce produced and sold has been amended to exclude the effect of amortisation and depreciation (non-cash items) on those movements. This change is only being applied prospectively from 2020 onwards.

Reconciliation of AISC per ounce sold:

		31 December 2020 (1)	31 December 2019 (1)
Mine production costs (note 2.3)	US$'000	339,012	351,745
Movement in inventory	US$'000	4,181	(28,254)
Royalties	US$'000	24,792	19,701
Sustaining corporate administration costs	US$'000	15,029	11,610
Rehabilitation costs	US$'000	350	410
Sustaining underground development and exploration	US$'000	50,796	44,621
Other sustaining capital expenditure	US$'000	52,433	40,471
By-product credit	US$'000	(1,115)	(987)
All-in sustaining costs (2)	US$'000	485,478	439,317
Gold sold – total (oz.) (excluding Cleopatra)	oz	468,681	465,687
AISC per ounce sold	US$/oz	1,036	943

(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 2020 US$'000	31 December 2019 US$'000
Corporate costs		
Sustaining corporate costs	15,029	11,610
Non-sustaining corporate costs (1)	2,550	7,318
Corporate costs (sub-total) (note 2.3)	17,579	18,928

(1) Non-sustaining corporate costs relate to expenses and/or accruals recognised for work performed by the Group's advisors on the successful defence of the third party 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 and 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 and the measure 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 and other companies may calculate this measure 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 2020 US$'000	31 December 2019 US$'000
Cash and cash equivalents (note 2.16(a))	291,281	278,229
Bullion on hand (valued at the year-end spot price)	5,747	29,562
Gold and silver sales debtor (note 2.7)	12,492	34,695
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	309,520	348,940

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. 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 and other companies may calculate this measure differently.

	31 December 2020 US$'000	31 December 2019 US$'000
Net cash generated by operating activities	453,305	249,004
Less:		
Net cash used in investing activities	(129,848)	(90,153)
Dividend paid – non-controlling interest in SGM	(174,275)	(87,075)
Free cash flow	149,182	71,776
Add back:		
Net (disposals)/acquisitions of financial assets at fair value through profit or loss [(1)]	(7,414)	2,565
Adjusted free cash flow	141,768	74,341

(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 REVIEW

WE TAKE RISK SERIOUSLY, WITH RISK ASSESSMENT INTEGRATED THROUGHOUT OUR BUSINESS MODEL. EFFECTIVE RISK ASSESSMENT IS CRITICAL TO NOT JUST UNDERSTAND THE POTENTIAL DOWNSIDE BUT IN IDENTIFYING OPPORTUNITIES.

Craig Murray, Head of Risk

RISK MANAGEMENT

Centamin recognises that nothing is without risk. A successful and sustainable business needs an effective risk management framework as its foundation, which outlines the Company approach and process for management of risk. The framework should be supported by a strong culture of risk awareness, that encourages openness and integrity, alongside a clearly defined appetite for risk. This enables the Board to consider risks and opportunities to improve our decision-making process, deliver on our objectives and improve our performance as a responsible mining company.

The Board has overall responsibility for establishing a framework that allows for the review of existing and emerging risks in the context of both opportunities and potential threats that informs the principal risks and uncertainties. These risks inform the assessment of the future prospects and long-term viability of the Group, further details of the approach are shown on page 80. These risks are also considered when challenging the strategic pillars of the Company that underpin the strategy as shown on page 32. A variety of activities to further embed risk management took place during 2020, these included:

- Ensuring our response to the COVID-19 pandemic considered the potential risks and impacts with effective response and planning in place. Further information is shown in the Operational Review on page 44 under Co-Existing with COVID-19.
- Enhanced risk governance and oversight through updates to our Board and committee structures and the appointment of senior management including the Head of Risk
- Reinforcement of the risk-aware culture throughout the Group through initiatives in our operations such as the development of critical risk standards and a continued focus on the safety and health of our people
- Completed periodic review of the key risks across the business including the principal and emerging risks facing the Group.

Risk oversight and accountability

As shown in the diagram on page 67, ultimate accountability for risk management lies with the Board, supported by the Audit and Risk Committee. We continuously monitor and refine our risk management and wider internal controls to meet the changing requirements of the business. They incorporate international good practice, reflect the UK 2018 Code and ISO 31000 Risk Management Guidelines.

The framework adopts a top-down and bottom-up approach, enabling thorough identification, assessment, mitigation and monitoring of risks throughout the business. There are three lines of defence to provide review and oversight whilst ensuring the information that flows from the reporting lines is relevant, timely and can genuinely support the Board's strategic decisions.

Risk monitoring and reporting

The risk management framework and the system of internal controls are designed to operate effectively together and report through to the Audit and Risk Committee on a regular basis. Further detail of the work of the Audit and Risk Committee is set out in the Audit and Risk Committee Report on page 130 of the Governance report. Our approach to corporate governance has been developed to ensure that the Board understand the level of risk we are willing to take supported by a level of assurance that risk is appropriately managed and the system of internal controls are effective.

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.

BOARD
Set the risk culture, determine appetite and assessment of the principle risks

TOP DOWN
Oversight and consideration of key opportunities & risks and areas of concern

EXECUTIVE AND SENIOR MANAGEMENT
Implementation of the risk framework, review and challenge of the key business risks

AUDIT AND RISK COMMITTEE
Independently reviews the adequacy and effectiveness of risk management and internal controls

BOTTOM UP
Risk identification, assessment, mitigation and monitoring

Encourage risk awareness and a safety culture

RISK MANAGEMENT
Consolidation and challenge of risk whilst providing support and guidance on risk management

INTERNAL CONTROLS
Provides assurance to ARC on the effectiveness of risk management and internal controls implemented across the business

OPERATIONS
Risk identification, assessment, mitigation and monitoring

Encourage risk awareness and a safety culture

CORPORATE FUNCTIONS
Risk identification, assessment, mitigation and monitoring

Oversight and review of business risk themes across groups and operations

INDEPENDENT ASSURANCE
Provision of Assurance activities at operations and corporate by independent experts and advisors

1st Line
Front line ownership of the risk management process and reporting

2nd Line
Oversight and challenge on risks and risk management effectiveness

3rd Line
Independent assurance of risk management and internal controls

Risk appetite

The Board accepts that the mining industry is a high-risk sector. The Group is cognisant of the risks which it faces, accepting their inherent nature whilst looking to ensure we recognise and maximise any opportunities that they create. When considering risk, the Board reviews the level of acceptable risk (tolerance), the attitude and culture towards risk and the ways in which it can influence risk appetite throughout the Group.

Risk Appetite defined

OPPORTUNISTIC

Opportunistic demonstrates a high appetite in pursuit of potential greater rewards such as exploration

We will consider opportunities with higher levels of risk in exchange for potential greater reward, as long as they do not conflict with our core pillars.

INFORMED

Informed is an appetite where risks are reduced to reasonably practicable levels, such as operational performance or geological understanding, whilst delivering reasonable rewards

We will have an approach that could deliver reasonable rewards, economic or otherwise, by managing risk in an informed way.

BALANCED

Balanced recognises an appetite towards meeting our regulatory, legal obligations, managing external risks such as commodity prices, geopolitical change and achieving production estimates whilst recognising external factors over which we have limited control

We will not take any unnecessary risk within our control, however, we have an understanding that inherently we have limited control over a number of external risk factors.

CONTROLLED

Controlled considers where we have limited appetite for risk such as potential breaches in our policies and controls to health, safety and the environment (HSE). The Board invests heavily in a programme of continuous improvement in these areas and has an expectation to meet the highest standards

We will ensure that we have sufficient controls and mitigations in place to allow for a low level of risk whilst recognising there may be a limited reward potential.

Due to the nature and inherent risks associated with an operating mining company, the Board accepts a higher risk appetite, but acknowledges this needs to be managed within acceptable limits by having appropriate safeguards in place.

The principal risks assessed 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 2020. 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.

A RISK REFRESH

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.

2019 Principal Risks

- Political Risk – Egypt
- Political Risk – West Africa
- Litigation
- Gold Price
- Loss of Revenue due to single project dependency
- JV Risk and Relationship with EMRA
- Jurisdictional Taxation Exposure
- Failure to achieve exploration development success
- Reserve and Resource Estimate
- Failure to achieve production estimates

Elevated 2020 Principal Risks

- Licence to Operate
- Future of our Workforce
- Evolving Environmental Expectations
- Safety, Health and Wellbeing

Refreshed 2020 Principal Risks

- Infectious Disease Outbreak
- Political
- Legal and Regulatory Compliance
- Litigation
- Gold Price
- Single Project Dependency
- Concession Governance and Management
- Exploration
- Geological Understanding
- Operational Performance and Planning

New 2020 Emerging Risks

- Financial Risk
- Cyber Security

Since the 2019 Annual Report there have been a number of updates in the principal risks driven by the changes in our governance structure and senior management, the revised strategy for the business and external factors such as COVID-19. Any 'new' principal risks have been elevated from the emerging risks disclosed in the 2019 Annual Report or the 2020 Interims. The remaining principal risks which have been refreshed, not removed, to reflect the broader considerations of the business moving forward and the emerging risks have also been refreshed. The following diagram shows the flow from 2019 to 2020.

Of particular note through 2020 was the global impact of the COVID-19 pandemic, as highlighted throughout the report and shown in the Operational Review on page 44 under Co-Existing with COVID-19. We recognise the potential risks which could have arisen from COVID-19 and this has been captured in the new principal risk of infectious disease outbreak which has been escalated from an Emerging Risk in the 2019 Annual Report.

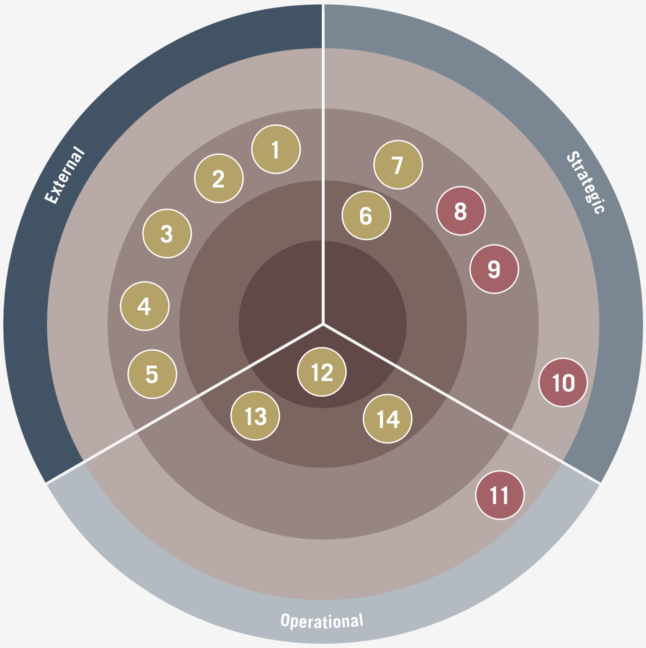
The current status of the principal risks affecting Centamin and its operational activities, together with the measures to mitigate risk, are detailed in the Principal Risks section. When considering risk the Group splits these under external, strategic and operational risks on a sliding scale depending on the level of influence over which the Group may have on the factors which can impact the risk.

Risk radar

The Board considers risks both in terms of potential severity based on the 'likelihood' of the risk occurring, given the mitigating factors in place, and relative 'impact', should an event materially impact on the business to form a residual position. The risks are then considered against Centamin's risk appetite to provide 'themes', which are those areas of concern that are discussed and debated.

The radar diagram shows the key information on the principal risks including the appetite of the Company to the particular risk, whether this is an external, strategic or operational risk, in addition to whether this is a refreshed or elevated principal risk for 2020.

For the current reporting period we have identified, 14 principal risks and six emerging risks. Further detail on the principal risks which could affect Centamin are shown below with a description of the nature of the risk, risk trend, link to the strategic pillars, mitigation measures, ongoing strategy to manage the risk and the Group appetite.



External	
1	Political
2	Legal and Regulatory Compliance
3	Litigation
4	Infectious Disease Outbreak
5	Gold Price
Strategic	
6	Single Project Dependency
7	Concession Governance and Management
8	Licence to Operate
9	Future of our Workforce
10	Evolving environmental expectations
Operational	
11	Safety, Health and Wellbeing
12	Exploration
13	Geological Understanding
14	Operational Performance and Planning

Risk Appetite

- Opportunistic
- Informed
- Balanced
- Controlled

Risks

- Refreshed Risk
- Elevated Risk

UNDERSTANDING OF OUR PRINCIPAL RISKS ALONGSIDE OUR EMERGING RISKS IS A KEY COMPONENT OF A ROBUST ASSESSMENT.

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, in previous years have remained fairly constant as shown within the previous Annual Reports. 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 emerging risks.

Emerging risks are defined as circumstances or trends that could significantly impact the Company's financial strength, competitive position or reputation within the next three years or over a longer term. Emerging risks may prove difficult to quantify as they are often influenced by external factors and difficult to predict. For example in 2019, would anyone have envisaged the far reaching and global implications of the COVID-19 pandemic? Emerging risks are considered as part of the Company's strategic discussions through all levels of the Group and a number of these risks from the 2019 Annual Report have now been elevated to principal risks highlighting the importance of this process.

Emerging risks

We have outlined a non-exhaustive list of emerging risks assessed during the year, some are 'new' and others are risks which are inherent to the nature of our business and where we operate. We monitor these as part of the risk management framework.

Climate related risk	We recognise that climate change has recognition as a growing global risk. Even though stakeholder attention in 2020 was directed towards the COVID-19 pandemic in 2020 there is an understanding that climate-related risk will rebound and a shift towards greener economies cannot be delayed until the shocks of the pandemic subside. Climate action failure is a risk we need to consider in 2021 as we move towards meeting the requirements of the Task Force on Climate-related Financial Disclosures with the commitment to doing this highlighted in the Outlook of the CFO's Statement on page 55.
Financial	Ensuring that we effectively manage our exposure to risks such as jurisdictional taxation exposure, currency fluctuations, interest rate and liquidity is an ongoing process as highlighted in the financial statements under 3.1 Group financial risk management. The Company has developed the necessary procedures to minimise the potential impact of these risks and further information is provided in the viability statement on page 80 and going concern in Note 1.3.5 of the financial statements.
Cyber security	The Company recognises the importance of risks associated with cyber security and data governance but has assessed they do not currently represent a principal risk given the current position of the Company's operations. Increasing investment in this area is, however, a priority for the Company to ensure we can maintain our resilience alongside planned enhancements to our technology.
Corporate development	The Company continues to acknowledge the risks and opportunities associated with our ability to realise value by successfully executing mergers, acquisitions and divestments. Management must be ready to evaluate approaches and opportunities to ensure value for shareholders is maintained and enhanced.
Security – West Africa	Increased militant activity in West Africa could raise potential concerns for our personnel safety in-country. We continue to closely monitor the situation through our own security, local government and external advisors.
Capital allocation and project execution	Ensuring capital is allocated effectively and projects are well executed is a risk and opportunity which the Company recognises as highlighted on page 55 in the CFO's Statement. Examples of key capital projects delivered in 2020 include the new tailings storage facility and moving forward the solar plant and paste fill plant at Sukari.

Trend Key

- W Slightly worse
- C Consistent
- I Slightly improved
- N New

PRINCIPAL RISKS

PRINCIPAL RISK | **RISK TREND** | **NATURE OF RISK**

External Risk
Political

Link to strategy

Risk trend: West Africa – W; Consistent in Egypt – C

Future political, social or economic changes in the countries in which we operate may impact on the Group.

The future investment framework and business conditions in our operating locations could change with governments adopting different laws, regulations and policies that may impact on the ownership, development and operation of our mineral resources projects.

External Risk
Legal and regulatory compliance

Link to strategy

Risk trend: C

The Group's structure includes operational activity in Egypt and West Africa, summarised in the Operating Environment on page 18, held through companies in Australia and the United Kingdom. This means we are subject to various legal and regulatory requirements across all jurisdictions, relating to issues such as cross jurisdictional taxation, related party transactions, anti-bribery and corruption.

Ongoing legal, fiscal and regulatory changes may impact project permitting, tenure, taxation, exchange rates, environmental protection, labour relations, and the ability to repatriate income and capital. These measures may also impact the ability to import key supplies, export gold production and repatriate revenues.

External Risk
Litigation

Link to strategy

Risk trend: C

Centamin's ability to operate and conduct business in host countries, may be adversely affected by current and any future dispute resolution and/or litigation proceedings. The Group is currently party to two significant legal actions in Egypt. These could affect its ability to operate the mine at Sukari in the manner in which it is currently operated (in the case of the challenge to the Concession Agreement under which Sukari operates) and adversely affect its profitability.

The details of this litigation, which relates to the loss of the Egyptian national subsidy for Diesel Fuel Oil and the Concession Agreement, are given in note 5.1 of the financial statements

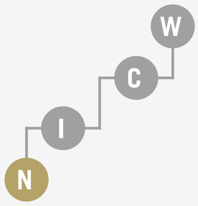
MITIGATION MEASURES	ONGOING STRATEGY	RISK APPETITE
Government policies have developed over the past years in host countries to incentivise foreign direct investment and the development of local mining industries. Centamin deploys a proactive government and stakeholder liaison policy and actively monitors – on an ongoing basis – legal, fiscal, regulatory and political developments in its host countries. The terms of the Sukari Concession Agreement, (including the applicable tax regime and rights of tenure), were issued and ratified under special Law No. 222 of 1994 and can, therefore, only be amended by the passing of a further law.	To maintain a detailed and up to date understanding of the investment framework and climate in which we operate as well as a constructive relationship with our host governments and local partners, such as EMRA. The Company undertakes to abide by the spirit and letter of the Concession Agreement as well as local laws/regulations in Egypt and our other host countries.	**Level: Balanced** We will not take any unnecessary risk within our control. However, we understand that inherently we have limited control over a number of external risk factors.
Centamin deploys a proactive government and stakeholder liaison policy and actively monitors – on an ongoing basis – legal, fiscal, regulatory and political developments in its host countries. In Egypt we have the Sukari Concession Agreement which can only be changed by means of another law, so we have the right to export gold, repatriation of funds, existing tax exemptions (subject to the provisions of the Concession Agreement). In addition, the Group engages with the relevant regulatory authorities and seeks appropriate advice to ensure compliance with all relevant regulation and legislation. An example would be the global tax strategy in place which ensures all taxes are paid at an operational level and further tax requirements are met through the holding structure. Appropriate monitoring procedures are in place and we ensure that we manage legal and regulatory compliance.	The Company aims to comply with all relevant regulation and legislation including its environmental and operational commitments set out in the relevant permits/authorisations and local laws/regulations.	**Level: Balanced** We will not take any unnecessary risk within our control. However, we understand that inherently we have limited control over a number of external risk factors.
In order to mitigate this risk Centamin has (a) taken appropriate legal advice from reputable legal advisors and continues actively to pursue its legal rights with respect to its existing cases; and (b) maintains regular contact with its Egyptian legal advisors and actively monitors developments in both court and local media for signs of any legislative or similar developments that relate to its ongoing litigation or which may otherwise threaten its operations, finances or prospects. The potential for serious impact can be further mitigated by Centamin's strict adherence to local laws and agreements; the Egyptian government's continuing opposition to the legal challenge to Law no. 32 of 2014, which restricts the ability of third parties to challenge contractual agreements between the Egyptian government and investors such as Centamin; the investment protections and dispute resolution provisions set out in the Sukari Concession Agreement and the bilateral investment treaty between Australia (PGM's place of incorporation) and the Arab Republic of Egypt.	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** We will not take any unnecessary risk within our control. However, we understand that inherently we have limited control over a number of external risk factors.

Trend Key
- W Slightly worse
- C Consistent
- I Slightly improved
- N New

PRINCIPAL RISK | RISK TREND | NATURE OF RISK

External Risk
Infectious disease outbreak

Link to strategy



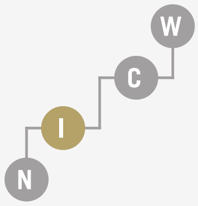
In 2020, COVID-19 significantly impacted the world, presenting an unprecedented medical, economic and social challenge.

Centamin has been proactive in how it manages and mitigates the impacts within its control. We have 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 disruptions. Furthermore, we recognise the macro-economic uncertainty this has created including volatility in the markets. The scale and duration remain uncertain but we recognise this could impact our financial condition which we continue to monitor and are prepared to manage accordingly.

External Risk
Gold price

Link to strategy

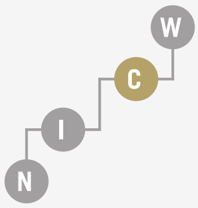


The extent of the Company's financial performance is due in part to the price of gold, over which the Company has no influence, with further detail provided under the Gold Market Review on page 17. Revenues from gold sales are in US dollars and Centamin has exposure to costs in other currencies including Egyptian pounds, Australian dollars and sterling.

Centamin manages its exposure to gold price by keeping operating costs as low as possible and continues to consider other options where these would be viewed as beneficial by the Board.

Strategic Risk
Single project dependency

Link to strategy



The Sukari Gold Mine is Centamin's operating asset accounting for all the Group's reserves. Whilst the resource base in West Africa is growing, the regional exploration is at the scoping study and feasibility stage to assess viability of a potential development project.

We recognise the COVID-19 pandemic may impact this risk but have provided an update on the impact to date and our position moving forward as shown in the Operational Review on page 44 under Co-Existing with COVID-19.

Until further production growth beyond Sukari is identified, the potential impact remains high and safeguarding the project is paramount to the Company.

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

MITIGATION MEASURES	ONGOING STRATEGY	RISK APPETITE
Safely managing the health and wellbeing of our workforce, in line with government and public health advice we have introduced COVID-19 secure working conditions which have been paramount in mitigating the risk. Ensuring a local and global proactive approach to our response during the pandemic has been key. Whilst the impact and potential duration remains uncertain, the Company has carried out scenario risk analysis on the Group and 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, adapting our policies, procedures and controls to minimise the impacts within our control. A COVID-19 Executive Committee provides oversight during the pandemic, supported by multifunctional teams within a framework led by risk and operations. Further information is shown in the Operational Review on page [34] under Co-Existing with COVID-19.	We recognise the global pandemic of COVID-19 as a threat bringing potential risks to our people and business. Management 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.	**Level: Balanced** We will not take any unnecessary risk within our control. However, we understand that inherently we have limited control over a number of external risk factors.
The Group is 100% exposed to the gold price; however, the cash costs of the Sukari Gold Mine remain within our budget and we were able to benefit from the increase in the gold price through 2020.	The Company does not currently hedge against the price of gold or exposure to currencies. We will continue to allow for financial flexibility when budgeting and forecasting using a measured approach to the potential fluctuations in gold price.	**Level: Balanced** We will not take any unnecessary risk within our control. However, we understand that inherently we have limited control over a number of external risk factors.
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. The Sukari Gold Mine is Centamin's operating asset accounting for all the Group's reserves. Whilst the resource base in West Africa is growing, the regional exploration is at the scoping study and feasibility stage to assess viability of a potential development project. We recognise the COVID-19 pandemic may impact this risk but have provided an update on the impact to date and our position moving forward as shown in the Operational Review on page 44 under Co-Existing with COVID-19.	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 value by increasing production across the Group as highlighted in the Approach to Geology, on page 22 within the Business Model. The Company could potentially be awarded additional exploration areas, under the recent Egyptian bid round, subject to agreement of mutually acceptable terms with the government. Further detail is shown in the Exploration Review.	**Level: Informed** We will have an approach that could deliver reasonable rewards, economic or otherwise, by managing risk in an informed way.

Trend Key

- W Slightly worse
- C Consistent
- I Slightly improved
- N New

PRINCIPAL RISK	RISK TREND	NATURE OF RISK
Strategic Risk Concession governance and management **Link to strategy**	C	SGM, is 50:50 jointly owned by PGM (the Company's wholly owned subsidiary) and EMRA, with equal board representation from both parties. The board of SGM operates by way of simple majority Should a dispute arise or decision-making become deadlocked and cannot otherwise be amicably resolved by way of commercial negotiations or mediation then time-consuming and costly arbitration or other dispute resolution proceedings may need to be initiated.
Strategic Risk Licence to operate **Link to strategy**	N	Centamin is committed to building and operating our mines in a safe and responsible manner. To do this, we seek to build trust-based partnerships with host governments and local communities to drive shared long-term value while working to minimise the social and environmental impacts of our activities. True consideration needs to be given to the investment in sustainable projects, whilst delivering on our stated ESG objectives.
Strategic Risk Future of our workforce **Link to strategy**	N	The way we work is changing. Embedding a clear approach to the development of nationals supported by an understanding of the required cultural values is pivotal to the strategy. Failure to do this increases the risk of churn and the loss of key personnel and knowledge so retention is critical. We also need to consider where possible the ability to attract adequately experienced personnel to meet the future growth aspirations of the business.
Strategic Risk Evolving environmental expectations **Link to strategy**	N	Past environmental incidents in the extractive industry highlight the hazards (e.g. water management, tailings storage facilities, cyanide management) and the potential consequences to the environment, community, safety and health. Due to the location in particular of the Sukari mine in a desert, we are aware of the importance of water management alongside our reliance on fossil fuel. We recognise that climate-related risk is likely to have an increasing impact on our operations as identified by a specific emerging risk.

PEOPLE ASSET QUALITY FINANCIAL FLEXIBILITY STAKEHOLDER RETURNS ACTIVE GROWTH PIPELINE

MITIGATION MEASURES	ONGOING STRATEGY	RISK APPETITE
It is of key importance for Centamin to maintain a solid and transparent working relationship with its 50% partner, EMRA, through a strict adherence to the Sukari Concession Agreement. With the onset of profit sharing in 2019, the proper application of the cost recovery and net profit share payment provisions under the Concession Agreement, have become a key priority. To ensure successful management of the Sukari Gold Mine maintaining a good working relationship with EMRA, other relevant ministries and wider government is a key focus. The Group has regular meetings with officials from EMRA and invests time in liaising with relevant ministry and other governmental representatives.	A key objective of the Company is to maintain its licence to operate in its host countries. In Egypt, this is achieved through active and ongoing co-operation, regular meetings and correspondence with EMRA, as well as making sure that the terms and conditions of the Concession Agreement and applicable laws are fully complied with. Ongoing monitoring and review of this is key and is an activity which we will continue to give the required focus to. As we develop our West African portfolio we need to consider how we manage the requirements of the permitting and licensing considerations.	**Level: Balanced** We will not take any unnecessary risk within our control. However, we understand that inherently we have limited control over a number of external risk factors.
Host governments and local communities expect our involvement to bring benefits socially and economically whilst eventually leaving them better off than when we arrived. Centamin aims to bring enduring socio-economic prosperity within our area of influence and to protect the bio-physical environment. The Company aims to meet its ESG commitments set out in our corporate governance framework, the permits/grants/licences and local laws/regulations in our jurisdictions.	Acting in an ethical, responsible and transparent manner is fundamental to realising the significant business benefits gained from building trusted and constructive relationships with all our business stakeholders, and to maintaining our socio-political licence to operate. Strengthen our sustainability governance and management framework at all levels of the organisation, including reinforcement of our performance standards to support growth.	**Level: Balanced** We will not take any unnecessary risk within our control. However, we understand that inherently we have limited control over a number of external risk factors.
We aim to foster a high performance, inclusive culture, through an organisational structure that is fit for purpose, resourcing this structure with the right capabilities and empowering leadership to deliver the desired outcomes. Initiatives which have been introduced include the introduction of an employee pathway for professional development, supervisory development programme ex-pat reduction scheme alongside ongoing training needs analysis, an annual performance review process and succession planning.	To deliver on our strategy, we rely on a capable and engaged workforce that behaves ethically and responsibly, consistent with Centamin's values and Code of Conduct; these are also essential for us to maintain our licence to operate.	**Level: Balanced** We will not take any unnecessary risk within our control. However, we understand that inherently we have limited control over a number of external risk factors.
Our ability to maintain compliance with regulatory obligations and alignment with emerging industry standards in order to protect the environment and our host communities alike remains one of our top priorities. We are in the process of strengthening our governance and management controls and assurance processes to meet the requirements of new industry standards, including the Responsible Gold Mining Principles, Global Industry Standard Tailings Management and Taskforce on Climate-related Financial Disclosures. We are committed to resource efficiency and pollution control. Preparatory works have commenced on a solar plant that will reduce our GHG emissions by approximately 14% at Sukari and further investment is committed to optimise fuel efficiency are ongoing to fit of light-weight trays to our haul fleet and dynamic gas blending.	Not only comply with regulatory obligations but anticipate broader societal expectations as it relates to responsible environmental management, on aspects including resource efficiency and pollution control, the monitoring and management of tailings storage facilities and management of water consumption and discharge, biodiversity conservation and natural resource management legal compliance, but broader societal expectations. Understanding the effects of climate-related risk on our business is important as we strive to optimise opportunities associated with the transition to a low-carbon future, further information will be provided in the 2021 Sustainability Report.	**Level: Controlled** Controlled considers potential breaches in our policies and controls to meeting our environmental expectations. The Board invests heavily in a programme of continuous improvement in relevant practices and has an expectation to meet the highest standards.

Trend Key

- W Slightly worse
- C Consistent
- I Slightly improved
- N New

PRINCIPAL RISK	RISK TREND	NATURE OF RISK
Operational Risk Safety, health and wellbeing **Link to strategy**	N	It is an inherent risk in our industry that incidents due to unsafe acts or conditions could lead to injuries or fatalities. This has been heightened by the ongoing COVID-19 pandemic which highlights the importance of workforce wellbeing. Our workforce faces risks such as travel/transport, fire, explosion, and electrocution, as well as risks specific to the mine site and development project. These include potential slope failures or collapse in the underground, heavy or light equipment collisions involving machinery or personnel or environmental incidents such as cyanide contamination. Across the industry there is increased focus on the risks associated with mining companies' tailings facilities. We continue to monitor this risk, completing regular internal and external technical reviews.
Operational Risk Exploration **Link to strategy**	C	Exploration activities by their very nature are highly speculative with an inherent degree of risk. Centamin strives to make new discoveries, growth and value-creation opportunities through our exploration programme. Whilst Egypt continues to represent a significant opportunity, we also recognise our potential organic growth projects in West Africa as covered further in the Exploration Review on page 50.
Operational Risk Geological understanding **Link to strategy**	C	Geological uncertainty is an inherent risk which any mining company faces. Understanding of the ore body can be influenced by a number of factors which can impact on the ability to estimate the location of the ore and the potential grade expected by the mining operations. As these estimations are used to inform the approach to our operations and the wider business strategy we need to ensure that we can make this process as accurate as possible.
Operational Risk Operational performance and planning **Link to strategy**	C	Unplanned operational stoppages can impact our production. An inability to shift the volumes of waste required, drops in our operational capacity in mining, contractor management, supply chain disruption or ground stability are examples of potential risks. Accurate and complete planning is pivotal to informing production estimates, grade quality and provide greater clarity to corporate/operational decision-making. We then need to deliver supported by informed data analysis. Further, we recognise the potential impact of COVID-19 which we have summarised on page 44 and highlighted key considerations throughout. As of the time of publishing there were no additional concerns.

PEOPLE ASSET QUALITY FINANCIAL FLEXIBILITY STAKEHOLDER RETURNS ACTIVE GROWTH PIPELINE

MITIGATION MEASURES	ONGOING STRATEGY	RISK APPETITE
Protecting the safety, health and wellbeing of employees, contractors, local communities and other stakeholders is a fundamental responsibility for Centamin. We seek continuous improvement of our safety and health risk management procedures, with particular focus on the early identification of risks and the prevention of incidents. Examples of key mitigations initiatives in 2020 and beyond include critical risk and control standards supported by visible safety leadership reinforced at our operations, proactive COVID-19 management and enhanced employee medical benefits to recognise the health and wellbeing of our people and delivery of our new tailing's storage facility ("TSF2") extending our tailings capacity to 2030. We continuously seek to incorporate technology and innovation to reduce workers' exposure to safety and health risks alongside introducing a variety of initiatives to improve their wellbeing.	Ensuring the safety, health and wellbeing of our workforce is a moral imperative and our priority value of protect. This requires a focus on zero-harm whilst constituting a direct investment in the productivity of the business and the physical integrity of our operations. A safe and healthy workforce translates into an engaged, motivated and productive workforce that mitigates operational stoppages, and reduces potential incidents or harm.	**Level: Controlled** Controlled considers potential breaches in our policies and controls to safety, health and wellbeing. The Board invests heavily in a programme of continuous improvement in relevant practices and has an expectation to meet the highest standards.
Before undertaking any exploration activities a risk-based approach is undertaken to filter projects considering a number of factors. This approach has been further enhanced in 2020, and beyond, by with an overhaul of the geological leadership team and a restructured approach. This will be supported by independent advice and an investment in technology. During 2020 we invested a total of US$17m in exploration activities, with an initial US$5m budgeted for exploration expenditure in West Africa in 2021. See 'Exploration Review' page 50 for more on our exploration programme within Egypt.	Ensuring we have an effective and efficient exploration programme to meet our strategic targets, long-term production and reserves goals. Further information will be provided through 2021 in updates on the exploration activities.	**Level: Opportunistic** We will consider opportunities with higher levels of risk in exchange for potentially greater reward, as long as they do not conflict with our core values.
The overhaul of the geological leadership team in 2020 and a restructured approach has led to a number of changes to the stewardship of the orebody. Upgrades to the resource management processes and the development of more robust resource models have driven a review of the existing data alongside future analysis. These changes will contribute to an integrated approach to the mining methods which are applied and inform the mine-to-mill planning. An increased geotechnical engineering programme with a focus on improving operating confidence has also been introduced. Further information on the improvements which have been made are shown in our Approach to Geology on page 22.	To achieve an accurate estimation based on geology, that informs improved mine planning and operations to deliver results. Further information will be provided in the optimised life of mine plan for Sukari, which will be released in Q4 2021.	**Level: Informed** We will have an approach that could deliver reasonable rewards, economic or otherwise, by managing risk in an informed way.
The business is refreshing the life of mine plan for Sukari. The plan should provide clarity as to the strategic direction of the mine and the desired production levels for the short, medium and long-term to give focus to the operational elements of the mine and allow for operational flexibility. Alongside the overhauled geological leadership team and restructured approach to geology and orebody stewardship we are developing a comprehensive mining engineering model, increasing our mining flexibility and have identified multiple initiatives to improve operating efficiency and productivity. An example is a dedicated contract-mining solution on the east of the open pit and the owner-operator fleet utilised for ore and waste mining on the north and west.	The mining sector continues to face operating cost inflation, including labour costs, energy costs and the natural impact of ore-grade deterioration over time. In order to deliver our disciplined growth strategy and to maintain and improve our competitive position, the Group must deliver its financial improvement targets and minimise the number of unplanned operational stoppages. Further information will be provided in the optimised life of mine plan for Sukari.	**Level: Informed** We will have an approach that could deliver reasonable rewards, economic or otherwise, by managing risk in an informed way.

VIABILITY STATEMENT

To address the requirements of Provision 31, and contributing to Provision 1 of the 2018 Code, the Directors have assessed the prospects of the Group over a longer period than the twelve months required for the going concern assessment within the financial statements.

Period of assessment

In preparing the assessment of viability the Board has considered the principal risks and opportunities faced by the Group in relation to the Business Model as set out on pages 20 to 23, relevant financial forecasts and sensitivities and the financial position of the business.

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 three-year outlook in line with the strategy. Accordingly, a period of three 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 three-year assessment period. The Board considered the key strategic drivers, which are based around the Company's five strategic pillars: people, asset quality, financial flexibility, stakeholder returns and an active growth pipeline, as set out on pages 32 to 33.

The updated Sukari Mineral Resource and Reserves statement ("R&R") (ref page 216) underpins the long-term sustainability of the operation with a life of mine of twelve years based on a twelve 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 risks to be risks to the gold price, operational performance and planning, concession governance and management, licence to operate and infectious disease outbreak. 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, licence 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 Company'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 16% 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 twelve Mtpa, a level which Sukari often exceeds. The process plant recovery rates are targeting 87.2% in 2021. Maintaining and improving productivity is fundamental to our business and long-term strategy. Sukari has built up 17.4 million tonnes of low grade (0.47g/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.
- **Licence 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 175).

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 between US$150 to 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 three-year review period

- Production stoppages due to labour or supply
- No borrowing facilities being available to the Group
- Cease to be able to export gold

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, but plausible downside scenarios out to December 2023. The scenarios tested include material reductions in production and changes to working capital:

- 30% open pit ore and waste reduction: A reduction in open pit mining activities for the period, with open pit operations continuing in full after the reduction period. The consequential financial effects, such as the under-absorption of fixed costs and risk of increased working capital were also considered
- 30% underground stoping and development reduction: A reduction in underground mining activities for the period, with underground operations continuing in full after the reduction period
- 20% processing plant reduction: A reduction in processing activities for the period, with processing activities continuing in full after the reduction period
- 50% processing plant reduction: A reduction in processing activities for the period, with processing activities continuing in full after the reduction period
- A combination of the above: A combination of the first three reductions above for the period, with processing activities continuing in full after the reduction period

Liquidity and solvency

Whilst there is a potential that all the above scenarios could materialise the Company recognises there are some which are more likely to occur than others. In all of the scenarios envisaged, the Group would maintain the necessary liquidity levels. 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 perceived unlikely event, under the terms of the Concession Agreement, Centamin would be solely responsible if funding should be required.

Centamin is a resilient business with a strong financial position of US$310 million in cash and liquid assets as at 31 December 2020, and no debt, hedging or financial instruments on its balance sheet.

Conclusion

Taking into account the Group's current position and robust assessment of principal 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 three years (until 31 December 2023).

A ROBUST SYSTEM OF CORPORATE GOVERNANCE

Our business model is to explore, develop, operate and sustain high quality gold mines throughout the commodity cycle, thereby creating long-term value for our stakeholders. Engagement with our stakeholders is vital and underpins that value creation, aiding an awareness of our operating environment, the material issues and associated risks. Together with disciplined capital allocation and strong corporate governance, this is the foundation of our decision-making framework.

CORPORATE GOVERNANCE – CONTENTS

GOVERNANCE OVERVIEW

2020 HIGHLIGHTS

EMPLOYEE STATISTICS

TOTAL WORKFORCE
(including contractors)

3,128

2019: 2,556

EMPLOYEES AT SUKARI MINE WHO ARE EGYPTIAN NATIONALS

95%

2019: 95%

NATIONALS IN LEADERSHIP POSITIONS

65%

2019: 59%

DIVERSITY

FEMALE DIRECTORS ACCOUNT
for 33% of the Board

33%

3 OF THE 5 BOARD COMMITTEES
are chaired by female directors

3 OF 5

FEMALE REPRESENTATION AMONG THE SENIOR MANAGEMENT TEAM [1]

9%

PERCENTAGE OF FEMALE DIRECT REPORTS TO THE SENIOR MANAGEMENT TEAM

22%

(1) see the Governance structure on page 95 for a list of the roles that make up the senior management team.

CLIMATE CHANGE

NEWLY ESTABLISHED SUSTAINABILITY COMMITTEE

APPOINTMENT OF HEAD OF ESG

NEWLY ESTABLISHED TECHNICAL COMMITTEE

PROGRESS OF A 36MW PEAK CAPACITY SOLAR PLANT TO REDUCE FUEL CONSUMPTION

> “ENSURING THE COMPANY’S PURPOSE, VALUES AND STRATEGY ARE ALIGNED WITH THE COMPANY’S CULTURE AS COMMUNICATED TO THE WORKFORCE.”

GOVERNANCE STATEMENT

THE BOARD UNDERSTANDS THE IMPORTANCE OF BEING ADAPTABLE WHILST UPHOLDING THE PILLARS OF GOOD GOVERNANCE. AS THE EFFECTS OF COVID-19 IMPOSED RESTRICTIONS GLOBALLY, THE BOARD REMAINED DISCIPLINED AND DECISIVE, PROVIDING DIRECTION AND LEADERSHIP TO THE EXECUTIVE AND WORKFORCE.

NON-EXECUTIVE CHAIRMAN

JAMES RUTHERFORD

Dear Shareholders

Despite the effects of the global pandemic, technical and operational issues that arose during the year, the Board played a pivotal role in steering the Company in the right direction by being an ambassador for change, discipline and potential. The Board had to adapt quickly in the way it communicated, conducting regular virtual on-line meetings, as a Board and with senior management, whilst travel restrictions were in place. To protect the health of our workforce, we introduced measures to keep everyone safe both on site and in the corporate offices.

Operationally, through a difficult year of transition and change, we delivered a clear strategy which culminated in publishing Phase 1 of our Life of Asset review. Full year 2020 results were delivered in-line with the revised guidance allowing the Board to recommend total dividend payments of US$104 million for 2020.

On change

The two-year programme of board refreshment and succession completed in 2020 and because of this a new Centamin, with an overhauled governance structure was established. The Board function was restructured with the creation of a new Technical Committee and the evolution of the Health, Safety, Environmental and Social Committee into a Sustainability Committee. Following the AGM in 2020 and at the recommendation of the Nomination Committee, the Board appointed Hennie Faul as an independent non-executive director who chairs the newly established Technical Committee. Since Martin Horgan's appointment as CEO in April 2020, the senior management team has been significantly strengthened, with key appointments, in areas of sustainability, exploration and geology.

On discipline

Led by the Technical Committee, the Board had a clear intention to structure the Company's long-term plan by focusing on rigor and accountability. This structured plan was reflected in the principal decision by the Board to embark on a two-phase LOA review at Sukari of which Phase 1 is now complete.

Led by the Sustainability Committee, the emphasis has been on economic participation at an asset level and work programmes to understand the opportunities for wider local representation. In addition, there has been increased focus on training, development and succession planning as well as the talent pipeline to increase local participation at Sukari.

On potential

The Board is confident that an effective governance structure, with a talented management team in place, will result in unlocking Centamin's undoubted potential. The Company's objective, is to continue to deliver a reliable and consistent operating performance whilst identifying opportunities and managing potential challenges over the mine life at Sukari. Focus will continue to be on moving from a short-term planning cycle to a long term, life of mine plan.

Below is a summary of the governance actions undertaken by the Board in 2020:

ON CHANGE

- Board refreshment
- Establishing a new committee structure
- Upholding the guidelines on overboarding*
- Senior governance appointments in ESG and risk
- Reviewing and monitoring of workforce development and talent management

ON DISCIPLINE

- Technical Committee established to review, approve and monitor the technical aspects of our operations
- Increased frequency of ad hoc meetings by the Board and development of board authority procedures
- Adopted a collaborative working environment amongst the Board, senior management and wider workforce

ON POTENTIAL

- Clear strategic direction supported by the Board and committee structure
- Senior technical appointments in exploration and geology
- Development of local talent through employment and diversity

* See individual biographies of Board members for more details on external appointments held on page 92 and the Nomination Committee Report on page 118.

OUR CULTURE
LEADING FROM THE TOP

"THE PANDEMIC HAS RESTRICTED PHYSICAL ACCESS REQUIRING CORPORATE AND SITE TO ADAPT IN THE WAY THEY WORK. THE SOLUTION OVER THE LAST TWELVE MONTHS HAS BEEN TO UTILISE MICROSOFT 365 TO COMMUNICATE, COLLABORATE ON SHARED PROJECTS AND SHARE KNOWLEDGE AND INITIATIVES ON-LINE. I'M PROUD OF THE WAY OUR EMPLOYEES HAVE RESPONDED THIS YEAR AND ENCOURAGED BY THE ADAPTABILITY TO A CHANGING ENVIRONMENT."

CHIEF EXECUTIVE OFFICER

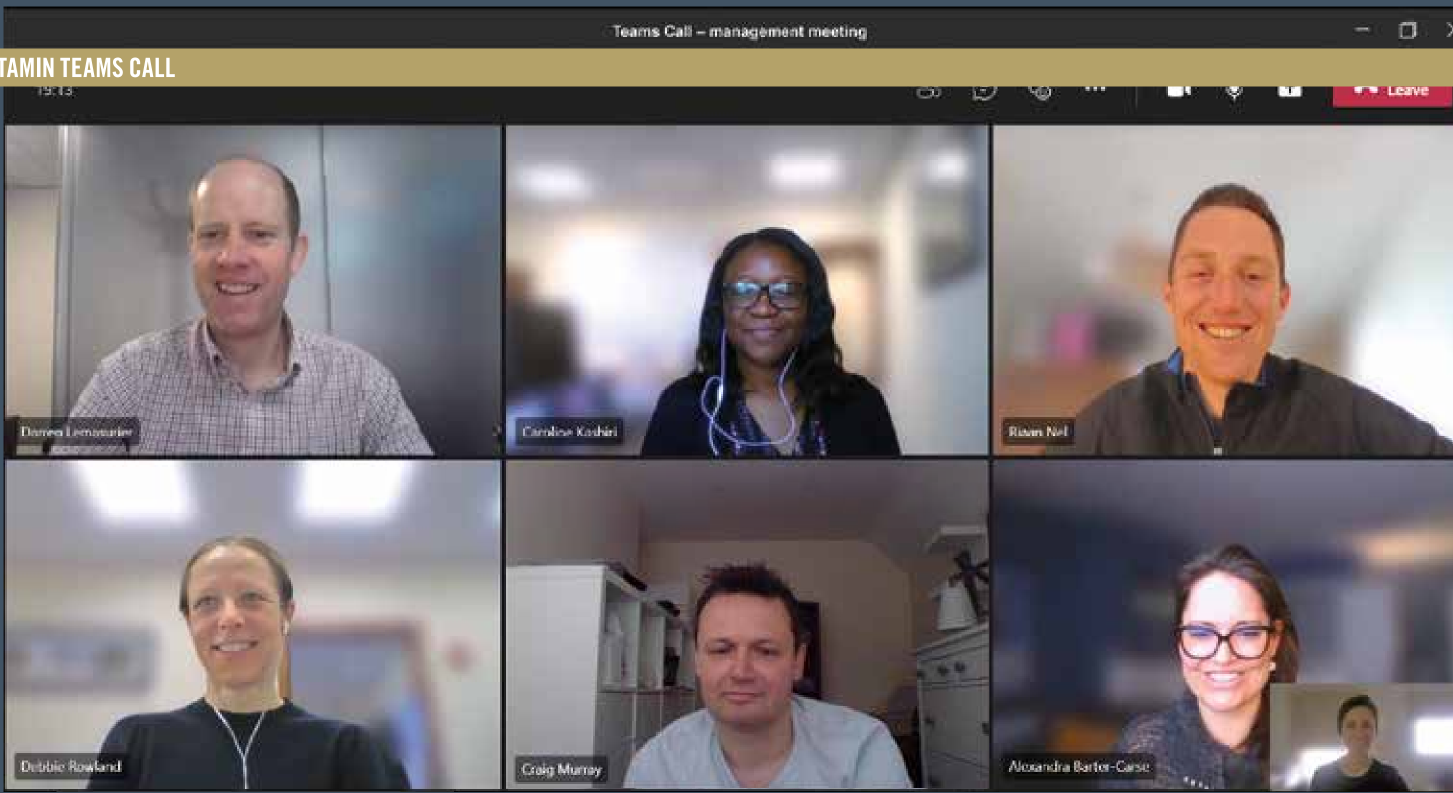
MARTIN HORGAN

The Board believe that strong governance underpins a healthy culture and this starts with the Board demonstrating the correct behaviours. In recognising our key stakeholders, we can ensure sufficient resources are dedicated to maintaining and enhancing these relationships. Through open dialogue and transparency the Board can also help mitigate potential risks associated with key stakeholders. Honesty and integrity also foster well-established long-term relationships which the Board continues to work hard to preserve. These relationships help to safeguard the interests of the Company, as well as local jobs and the local economy. The following shows how the Board connects its purpose and strategy in order to define guide and promote corporate culture.

As the Board is responsible for owning, assessing and overseeing Centamin's culture, it also believes that one of the key drivers in influencing and shaping culture throughout the business is the senior management team, led by the Chief Executive Officer. The Chief Executive Officer's tone sets expectations throughout the organisation and influences the behaviour of both internal and external stakeholders.

Because of the restrictions across the globe due to the COVID-19 pandemic, Board and management meetings, corporate and site training as well as day-to-day corporate business has been carried out through Microsoft 365 where possible. This has enabled the business to continue collaborating and sharing knowledge whilst working from different locations. Virtual platforms have allowed the Board to interact with each other and allowed management to continue communicating with the operational sites. In addition, this has facilitated important communication flow from corporate to site and vice versa such as collation of information on COVID-19 including latest developments on testing and vaccine developments, local cases and the potential impacts on corporate and site.

CENTAMIN TEAMS CALL



Corporate management team communicating via an Office365 Teams Call.

PROFESSIONAL DEVELOPMENT PATHWAY

PROFESSIONAL DEVELOPMENT PATHWAY LINKED TO THE BUSINESS GOALS AND OBJECTIVES

Paul Cannon, BSc (Hons) Chemical Engineering, MSc Environmental Science

Role: Head of Environmental and Social Governance

Paul joined Centamin in October 2020 and has over 20 years' experience supporting companies with the integration of sustainability into systems of corporate governance, management assurance and operational practice.

Since joining the senior management team, Paul has been leading the development of the sustainability strategy, which underpins the business model of Centamin see page 24.

Working together with site senior managers has been important for Paul in understanding, assessing and assisting in the development of existing. Collaborative working on these initiatives has been instrumental in maintaining a healthy culture amongst senior managers and employees.

Initiative: Employee development pathway

The Employee development Pathway ("EDP") is an internal career pathway for employees who wish to progress within certain departments on site. The pathway sets the Group's values and ensures adequate awareness of the critical behavioural standards that are required for successful performance. By implementing this pathway, employees are trained using best practice standards for employee development, and benefits both the Company and individual as those trained display, employ and train others on the core values that lead to individual and Company success.

The training and development process is divided into four levels, which an employee goes through with the aim of ensuring that they complete the pathway initiatives at a proficient level:

1. Training : At this level, the relevant employee acquires knowledge, skills and competencies
2. Competent: This level is about developing those requisite abilities or qualities
3. Productive: Demonstrating quality work or ability to produce high standards of work
4. Proficient: A demonstration of advancement in an occupation or area of knowledge

This framework has been rolled out to the main departments at Sukari.

The benefits of the pathway include providing a clear road map, encouraging employees to progress through self-management and ownership. The opportunity to participate and process for training is transparent with clear reward and progression targets.

Initiative: Employee engagement and the Voice of Sukari

Established in 2019, the Voice of Sukari was set up as an employee forum to identify opportunities for workplace improvement. Meetings were held in Q1 2020 and responses provided to the forum with involvement of the HSES Committee. Initiatives are ongoing to improve the forum such as developing the terms of reference, reporting lines, and understanding the forum's role and purpose.

PLANNED ACTION/RESPONSE:

In 2021, consultation will be held with site management and employee representatives to review the operational modalities of the forum, and employee engagement more broadly including grievance management. Recommendations will be reported to the Board through the Sustainability Committee.

Find out more at www.centamin.com

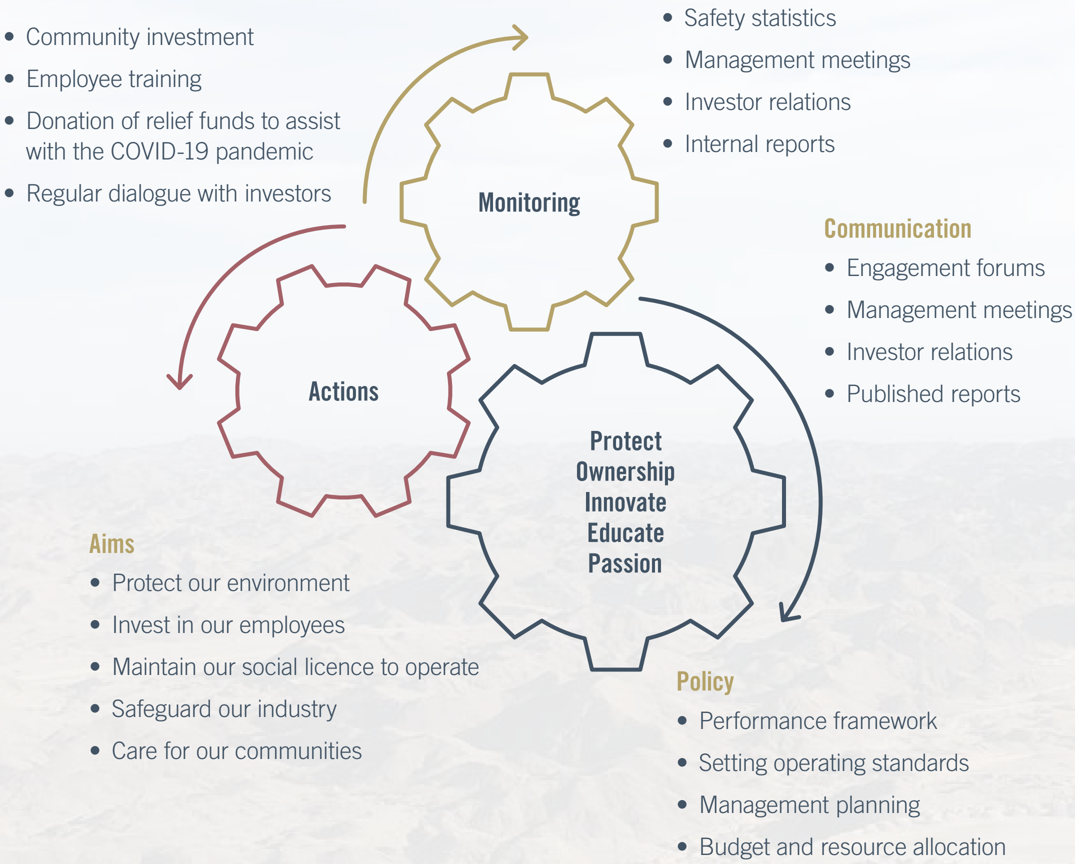
MONITORING OUR CULTURE

Culture

The Board understands its role in ensuring that the business is sustainable over the longer term and has embedded the corporate culture through the Board's values, behaviours and actions.

A key initiative in 2021 will be to continue clearly communicating the culture of Centamin to all stakeholders.

The following diagram illustrates how Centamin displays, monitors and communicates its desired culture:



BOARD OF DIRECTORS

JAMES (JIM) RUTHERFORD
NON-EXECUTIVE CHAIRMAN

MARTIN HORGAN
CHIEF EXECUTIVE OFFICER

ROSS JERRARD
CHIEF FINANCIAL OFFICER

	James (Jim) Rutherford	Martin Horgan	Ross Jerrard
APPOINTED	January 2020	April 2020	Chief Financial Officer since April 2016; Director since February 2018 (served as Interim CEO from December 2019 to April 2020)
NATIONALITY	British	British	Australian
QUALIFICATIONS	BSc (Econ), MA (Econ)	BEng (Hons)	BCompt (Hons)
SKILLS AND EXPERIENCE	Jim has over 25 years' experience in investment management and investment banking, specialising in the global mining and metals sector. Jim brings to the Board considerable financial and capital markets insight and a deep understanding of the mining industry. 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 was a non-executive director of Anglo American plc from 2013 to 2020.	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, 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 that, 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 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 financial 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. As a qualified accountant, Ross is a member of the Institute of Chartered Accountants in Australia (ICAA), the Institute of Chartered Accountants in Zimbabwe (ICAZ) and the Australian Institute of Company Directors (AICD).
CURRENT EXTERNAL APPOINTMENTS	Senior independent director of Anglo Pacific Group and a non-executive director of GT Gold Corp.	None	None

Committee Memberships

- Audit and Risk Committee
- Remuneration Committee
- Nomination Committee
- Group Risk Committee

New Committees post 2020 AGM

- Sustainability Committee
- Technical Committee

C Committee chair

DR. SALLY EYRE
SENIOR INDEPENDENT NON-EXECUTIVE DIRECTOR

C

April 2019

British

BSc (Geo), PhD, DIC

Sally was formerly the president and chief executive officer of TSX Venture Exchange listed Copper North Mining, and an executive of Endeavour Financial which became Endeavour Mining. Whilst working for Endeavour, she served as senior vice president operations, overseeing the exploration, development and production of a portfolio of gold mining projects in West Africa. She was the former chief executive officer of Etruscan Resources (acquired by Endeavour Financial).

Sally brings extensive experience in global resource capital markets and mining operations. As a geologist, she brings strong technical balance to the Board. Sally will be taking on the role of senior independent director in place of Edward Haslam who retired at the 2020 AGM.

Non-executive director of Adventus Mining, Ero Copper Corp and Equinox Gold.

MARK BANKES*
INDEPENDENT NON-EXECUTIVE DIRECTOR

February 2011

British

BA (Law) and MA

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 brings legal expertise drawn from years of experience and is knowledgeable in the area of mergers and acquisition.

* Mark Bankes is considered by the Board to be independent although as his tenure has reached nine years, as a matter of good governance, the Board agreed that Mark Bankes would not serve on the Audit and Risk Committee or Remuneration Committee.

Founding director of Bankes Consulting EURL (private).

MARNA CLOETE
INDEPENDENT NON-EXECUTIVE DIRECTOR

C

September 2019

South African

MA (Comm) Taxation and chartered accountant

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

In 2006, Marna joined Ivanhoe Mines, and in 2009 she was promoted to chief financial officer and to president in 2020. Marna played an instrumental role as part of the Ivanhoe leadership team achieving a number of strategic milestones, as well as listing the company on the TSX and concluding multiple strategic partnerships and financings with inter alia a Japanese consortium led by Itochu, Zijin Mining and CITIC Metal. Prior to joining Ivanhoe, Marna forged her career at PwC in 2002, in the metals and mining division, subsequently moving on to Group Five Construction.

President and CFO of Ivanhoe Mines Ltd.

Committee Memberships
- Audit and Risk Committee
- Remuneration Committee
- Nomination Committee
- Group Risk Committee

New Committees post 2020 AGM
- Sustainability Committee
- Technical Committee

C Committee Chair

* Remuneration (effective 31 March 2021)

DR. CATHARINE FARROW
INDEPENDENT NON-EXECUTIVE DIRECTOR

C

APPOINTED
September 2019

NATIONALITY
Canadian

QUALIFICATIONS
PhD, PGeo, ICD.D.

SKILLS AND EXPERIENCE
Catharine is a professional geoscientist with more than 25 years of mining industry experience. She is active in the mining industry with public, private and academia. Her expertise ranges from operations, technical services, corporate development and exploration. From 2012 to 2017 she was co-founder and CEO of TMAC Resources Inc.

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.

Catharine brings valuable operational and technical mining experience to the Board.

CURRENT EXTERNAL APPOINTMENTS
Non-executive director of Franco-Nevada Corporation and Eldorado Gold Corporation. Chair of Exiro Minerals (private) and president of FarExGeoMine Ltd (private).

PROFESSOR IBRAHIM FAWZY
INDEPENDENT NON-EXECUTIVE DIRECTOR

*

APPOINTED
August 2018

NATIONALITY
Egyptian

QUALIFICATIONS
BSc, PhD

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 brings valuable experience and insight in governmental relations, banking, investment and development, specifically within Egypt.

CURRENT EXTERNAL APPOINTMENTS
Chairman of Egyptians Abroad company for investment and development and director of its subsidiary companies.

HENDRIK (HENNIE) FAUL
INDEPENDENT NON-EXECUTIVE DIRECTOR

C

APPOINTED
July 2020

NATIONALITY
South African

QUALIFICATIONS
BEng

SKILLS AND EXPERIENCE
Hennie has over 30 years of mining industry experience across a range of commodities and jurisdictions. As a qualified mining engineer, he brings highly relevant engineering expertise that will complement the existing technical skills on the Board, further strengthening the Company's operational governance.

Hennie joined Anglo American in 2004, initially holding a number of senior engineering positions within its technical and base metals divisions. From 2013 to 2019 Hennie was CEO of Anglo American's copper business, including the Los Bronces and Collahuasi mines in Chile together with the Quellaveco greenfield project in Perú. Prior to that, he was Anglo American's group head of mining from 2011 to 2013, where he was responsible for improving governance and best practices across its diverse global mining portfolio. Between 2009 and 2010, Hennie was CEO of Anglo American's Zinc business.

CURRENT EXTERNAL APPOINTMENTS
Non-executive director of Master Drilling Ltd.

OUR MANAGEMENT STRUCTURE

The Executive Directors and senior management team provide collaborative and creative leadership to the Group to ensure the strategy is executed effectively and Company's purpose is fulfilled. Centamin's senior management comprise of highly motivated, dynamic, experienced individuals, whom are all team players and yet thrive in an entrepreneurial workplace, with the shared objective of creating value.

Executive Directors

HEADS OF DEPARTMENT

- Head of Corporate Development
- Head of Corporate Communications
- Head of Environmental and Social Governance
- Head of Exploration
- Head of Risk
- Financial Controller
- Company Secretary

GROUP MANAGEMENT – TECHNICAL

- Group Exploration Manager
- Group Projects Manager
- Group Health and Safety Manager
- Group Sustainability Manager
- Group Projects

SUKARI

- Country Manager – Egypt
- General Manager – Sukari

WEST AFRICA

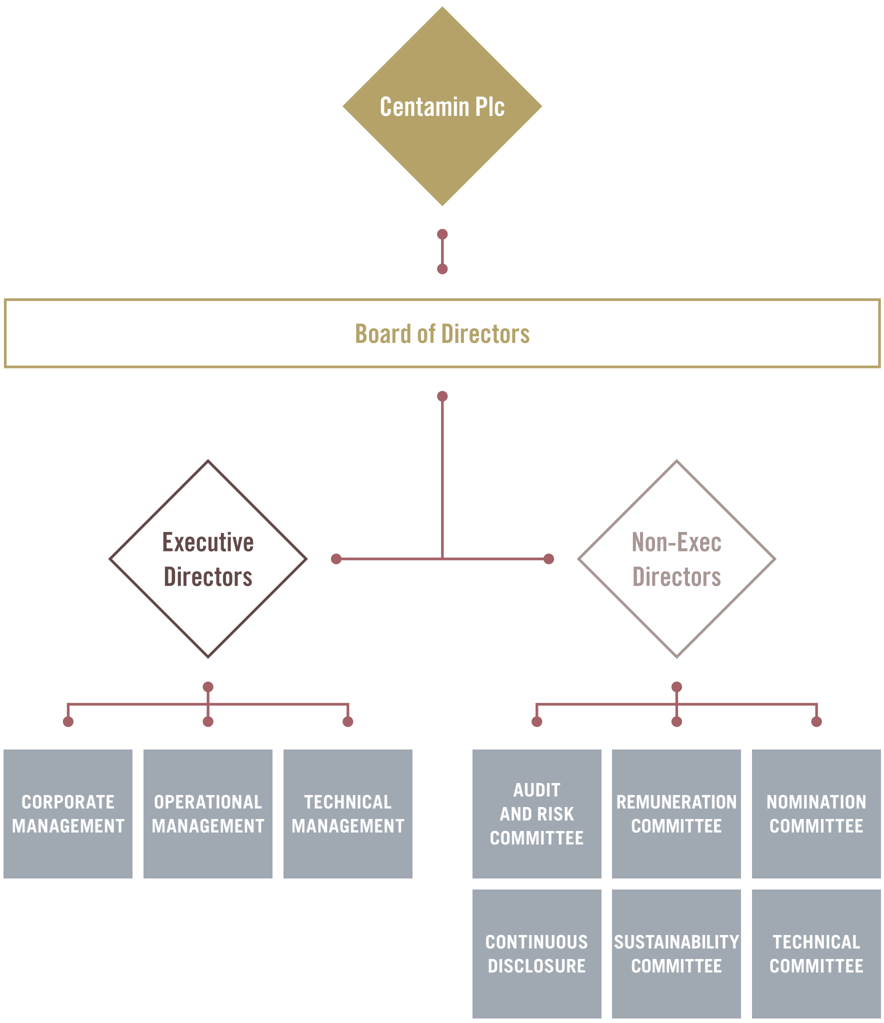
- Regional Manager – West Africa

The management structure has been strengthened through the addition of technical managers in the areas of geology, projects and environmental & social. These appointments add further depth to our management and operational capability with the right complementary skills and experience to help the Company deliver on strategic business objectives.

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 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 structure are set out on page 95.

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 125 for more details on the activities of the Audit and Risk Committee.

Remuneration Committee

Reviews and recommends to the Board the remuneration packages for the Executives and Non-Executive Directors as well as senior management and consideration of the pay scales and remuneration package for employees. See page 154 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 118 for more details on the activities of the Nomination Committee.

Sustainability Committee

Reviews the health and safety, environmental, social (including employee engagement), governance and risk associated with the Company's licence to operate. See page 116 for more details on the summary of activities.

Technical Committee

Reviews the technical reports, internal quality control and assurance over the Group's, mining assets and exploration, including oversight of the life of asset, production and exploration. See page 111 for more details on the summary of activities.

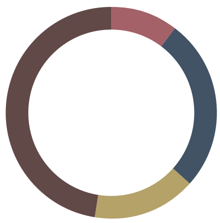
Board composition and roles

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

The Nomination 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

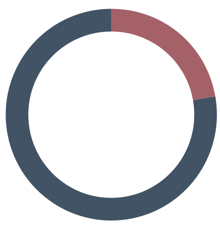


Capital Markets	2
Legal & Finance	5
M&A Experience	3
Mining Industry	9

All Directors have experience in mining

Full details of the skills and experience of each Director are set out in each Director's biography on pages 92 to 94.

BALANCE OF THE BOARD



Executive Directors	2
Independent Non-Executive Directors	7

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

BOARD ROLES

Chairman

Jim Rutherford

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
- Communicates with shareholders in relation to the Company's strategic aims and policies

Chief Executive Officer

Martin Horgan

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 approved 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
- 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

Assisting the Chief Executive Officer with the implementation of the corporate strategy and is responsible for the Company's financial performance including:

- 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)
- Monitoring external contracts and supplier relationships to ensure they are operating effectively

BOARD ATTENDANCE SCHEDULE IN 2020

	Date of appointment/resignation	Board attendance
Executive		
Martin Horgan	Appointed 6 April 2020	◆◆◆◆◆◆◆◆
Ross Jerrard	Appointed 5 Feb 2018	◆◆◆◆◆◆◆◆◆◆◆◆
Non-executive		
Jim Rutherford	Appointed 1 Jan 2020	◆◆◆◆◆◆◆◆◆◆◆◆
Dr Ibrahim Fawzy	Appointed 14 Aug 2018	◆◆◆◆◆◆◆◆◆◆◆◆
Mark Bankes	Appointed 24 February 2011	◆◆◆◆◆◆◆◆◆◆◆◆
Dr Sally Eyre	Appointed 10 Apr 2019	◆◆◆◆◆◆◆◆◆◆◆◆
Catharine Farrow	Appointed 2 Sept 2019	◆◆◆◆◆◆◆◆◆◆◆◆
Marna Cloete	Appointed 2 Sept 2019	◆◆◆◆◆◆◆◆◆◆◆◆
Hennie Faul	Appointed 1 July 2020	◆◆◆◆◆◆
Josef El-Raghy	Resigned 29 June 2020	◆◆◆◆◆◆
Edward Haslam	Resigned 29 June 2020	◆◆◆◆◆◆
Mark Arnesen	Resigned 29 June 2020	◆◆◆◆◆◆

The table excludes meetings held by written resolutions or sub-committees and reflects the membership during 2020.

For committee attendance records please see each committee report for further details.

◆ Meetings attended
◇ Meetings not attended

Senior Independent Director

Dr Sally Eyre

A trusted intermediary between other Directors and the Chairman. Also, a sounding board for the Chairman and is available to resolve any concerns which may arise and fail to be resolved via the normal channels of communication. Dr Sally Eyre took on the role of Senior Independent Director upon the retirement of Edward Haslam at 2020 AGM.

Independent Non-Executive Directors

Mark Bankes*, Dr Ibrahim Fawzy, Dr Catharine Farrow, Marna Cloete and Hennie Faul

The Non-Executive Directors are responsible for bringing in an external perspective, sound judgment and objectivity to Board debates. Constructively challenging the Executive Directors 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
- To monitor corporate culture and stakeholder engagement

* See further in this report, Board Independence and the Code Compliance Statement.

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.

BOARD DIVERSITY

The awareness of diversity and the various forms it takes in the boardroom are illustrated in the Company's Diversity Policy. Further details of the policy are set out in the Nomination Committee Report, which considers the following aspects:

1. Skills, expertise and experience
2. Gender
3. Ethnicity
4. Age
5. Independence
6. Geography

The Nomination Committee continued to focus on the guidance of the Hampton-Alexander Review and the Parker Review in monitoring board diversity. The board appointments made in 2019 and 2020 as per the recommendation of the Nomination Committee have steered the Company in the right direction by meeting the target set of 33% female representation as well as one individual identifying themselves as a person of colour. For further details, please see the Nomination Committee Report.

NON-EXECUTIVE TENURE

	0 – 2 Years	2 – 4 Years	4 – 6 Years	6 – 9 Years	9+ Years
Jim Rutherford	◆				
Dr Sally Eyre	◆				
Mark Bankes					◆
Professor Ibrahim Fawzy		◆			
Dr Catharine Farrow	◆				
Marna Cloete	◆				
Hennie Faul	◆				

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

9

BOARD MEMBERS

5

NATIONALITIES

SIZE OF THE BOARD

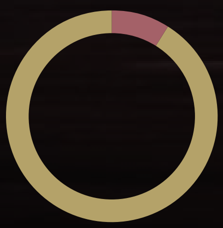
2 Executive

7 Non-Executive (1)

BOARD MEMBERS BY GENDER (2)

Female	3
Male	6

EXECUTIVE COMMITTEE (3)



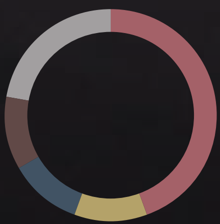
Female	1
Male	10

Chair	Non-Executive
Chief Executive Officer	Executive
Chief Financial Officer	Executive
Senior Independent Director	Non-Executive
Director	Non-Executive
Director	Non-Executive
Director	Non-Executive
Director	Non-Executive
Director	Non-Executive

DIRECT REPORTS TO THE EXECUTIVE BY GENDER

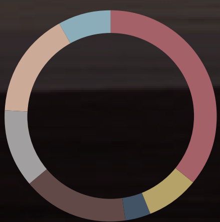
Female	5
Male	17

NATIONALITIES



British	4
Australian	1
Egyptian	1
Canadian	1
South African	2

BOARD SKILLS, EXPERTISE AND EXPERIENCE



Mining and Resource Industry	9
Capital Markets	2
Legal	1
Finance, Accounting and Audit services	4
Mergers & Acquisition	3
Government relations, public service and development	4
Investment banking and investment management	2

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 UK Corporate Governance Code ("2018 Code") and the definitions of independence in the Canadian Securities Administrators' National Instrument 52-110 – Audit Committees. The review carried out in 2020 confirms that the Company remains compliant with the provisions of the 2018 Code, whereby at least half the Board comprises of non-executive directors who are determined by the Board to be independent. Each of the Non-Executive Directors are considered by the Board to be independent and free from any issues that may impair their ability to present their opinions and or mar their judgement. All the Non-Executive Directors have served on the Board for less than four years with the exception of Mark Bankes who reached a nine-year anniversary in 2020. Mark Bankes was re-elected at the 2020 AGM as a Non-Executive Director and continues to be regarded as independent as the Nomination Committee were satisfied that he continued to demonstrate objective judgement and independence of thought by providing constructive challenge to the executive management. However, as a matter of good governance, the Board agreed that Mark Bankes would not serve on the Audit and Risk Committee or Remuneration Committee given his tenure. The Nomination Committee also assessed the material changes (retirement of the Chairman, Senior Independent Director, Non-Executive Director and changes in the executive management) which took place in 2020 and were satisfied that retaining Mark Bankes would be beneficial to the Board for continuity and retaining of business knowledge.

Board re-election

All Directors are subject to annual re-election. All Directors will be put forward for re-elections at the next annual general meeting ("2021 AGM") and election in the case of Hennie Faul who was appointed to the Board on 1 of July 2020.

Board training

Regular training is provided to the Board to enhance their digital skills, which has been particularly useful in the wake of the Covid-19 pandemic and the necessity of online meetings as well as accessing key information relevant to the Board. Board members also receive regular training on key topics covering legal, regulatory and compliance matters. Induction training and one-to-one sessions tend to be tailored to the requirements of the new Directors to the Board. Refresher training is also made available to the Directors as and when the need for specific training is identified. Also see the Board evaluation section on page 106 for the 2020 training list relating to Directors.

Board site visits

Given the difficulties in travelling and observation of the government rules against unnecessary travel due to Covid-19, the scheduled site visits have been difficult to organise. However, the Executive Directors have undertaken necessary site visits whenever a window of opportunity to travel arose. Once unrestricted travel is allowed in different jurisdictions, the usual Board visits will resume, as this is an opportunity for the Directors to see the major developments on site at Sukari.

(1) 7 Independent within the meaning of the 2018 Code

(2) Hampton-Alexander Review – Target 33%

(3) This is defined as the most senior individuals below Board level in accordance with guidance issued by the Hampton-Alexander Review

SKILLS AND SUCCESSION

The Nomination Committee is mandated by the Board to continuously monitor the composition of the Board and its committees to ensure that they are balanced in relevant skills, knowledge and experience.

A refreshed board

The year 2020 saw the completion of a two-year Board succession and refreshment plan. A key focus during the year has been on transitioning, on boarding and induction of new directors. In particular, with a focus on training and continuity of knowledge on the Board committees.

The transitional journey

1. James Rutherford

Jim Rutherford was appointed Deputy Chairman on 1 January 2020 with the intention of transitioning to Chairman upon the retirement of Josef El-Raghy. Jim and Josef worked closely together through H1 2020, completing a comprehensive handover process of duties and responsibilities.

The Board recognised that Jim's 25 years' experience of leading listed companies would be of benefit. Appointing an independent Chairman has been an important step in the overhaul of our governance structure.

At the 2020 AGM Jim became Chairman of the Board and at the recommendation of the Nomination Committee, became a member of the Remuneration Committee and chair the Nomination Committee.

2. Dr Sally Eyre

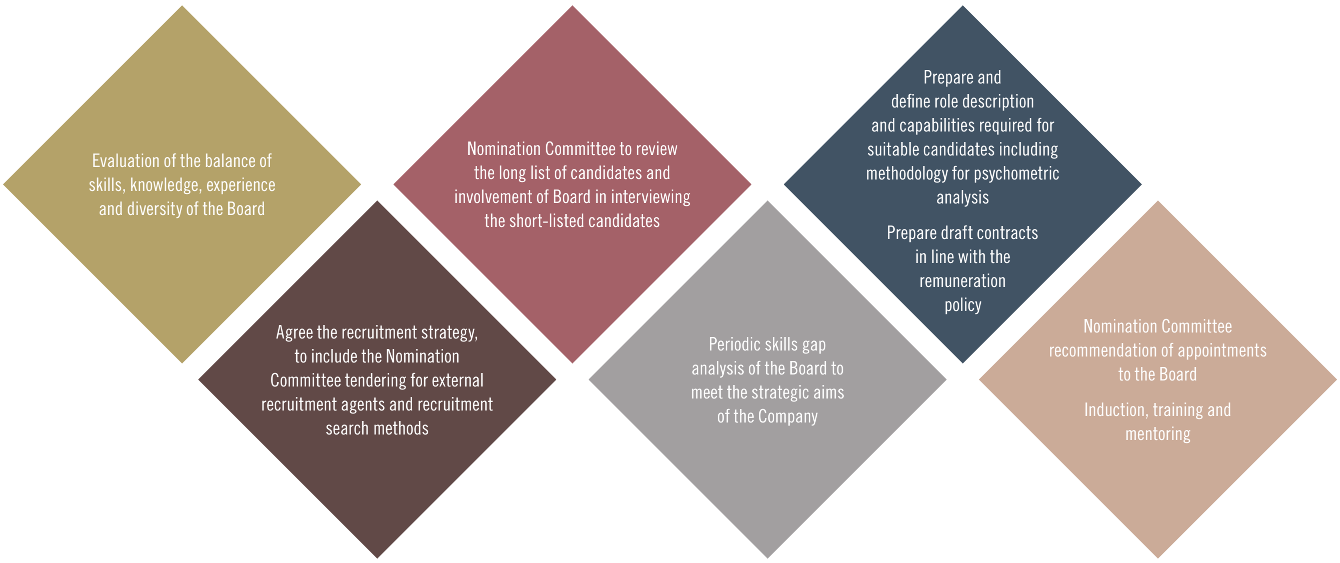
At the recommendation of the Nomination Committee, Dr Sally Eyre was appointed Senior Independent Director following the retirement of Edward Haslam at the 2020 AGM.

A comprehensive hand over had been carried out to ensure continuity of the role and responsibilities and the hand over period allowed for key aspects of the historical knowledge to be shared. Dr Eyre had been a member of the Remuneration Committee for over a year and effective from the 2020 AGM is chair of the Remuneration Committee. Dr Eyre is also a valued member of the Nomination and Technical Committee.

The Board and committee structures are considered by the Nomination Committee to have the required breadth of knowledge and expertise. Periodic evaluations are undertaken to assess any areas requiring additional training or new skills.

Board appointment processes

The Board's approach to recruitment remains as follows:



Korn Ferry were successfully engaged by the Nomination Committee to assist with the process of searching for a non-executive director with a technical background, see the following case study for the process of recruitment and appointment.

CASE STUDY

ILLUSTRATING OUR APPROACH TO BOARD APPOINTMENT

SEARCH AND RECRUITMENT PROCESS FOR THE ROLE OF A NON-EXECUTIVE DIRECTOR WITH A TECHNICAL BACKGROUND.

Role	Non-executive director
Objective	To find a candidate with technical and operating experience who will challenge the Board on technical and operational matters. The individual would also chair the newly established Technical Committee.
External search consultancy appointed to assist Nomination Committee	Korn Ferry
Key elements of candidate profile	• A mining engineer with an engineering qualification or an individual experienced in production operations and development projects • Exposure to open pit and underground mining operations • Track record of successful operation performance at the bigger end of the market • High technical credibility • Board level experience with ability to advise the Board on technical/operational matters
Search process led by	Nomination Committee
Selection	• Korn Ferry identified 44 potential candidates • Following a more in-depth review against the brief, 25 candidates discounted and 19 remained for further screening and assessment (long list) • Shortlisted candidates were presented to the Board
Interviews	Interviews were conducted by the Nomination Committee and wider Board
Appointment	Hennie Faul was identified as the preferred candidate supported by the Nomination Committee recommendation and Board approval. A letter of appointment was agreed and the announcement of his appointment published.
Induction	The Company Secretary put 'tailor-made' training and induction together with dates for a site visit. However due to COVID-19 restrictions, planned site visits were not possible due to government guidelines.

Korn Ferry has no connection with the Company in accordance with Provision 20 except in the context of searching for senior executives in accordance with the mandate issued to the executive search company. The Nomination Committee believes that methods used by the external search consultants target individuals with the right skills and experience required by the Board rather than open advertisement. Korn Ferry also provides independent advice on remuneration matters to the Remuneration Committee. The Remuneration Committee is satisfied that the advice provided on matters of remuneration remains objective and independent.

Find out more at www.centamin.com

CASE STUDY

DEVELOPING THE TALENT PIPELINE

THE BOARD CONTINUE TO WORK ON DEVELOPING A DIVERSE PIPELINE OF TALENTED INDIVIDUALS FROM WITHIN THE ORGANISATION.

The opportunities for employees to develop the required skills and experience are being managed through a leadership development programme.

National Employees

The majority of our workforce are based in Egypt, giving Centamin access to an educated population and talented individuals willing to undertake development programmes to prepare for leadership roles. The site's operations have an established professional development programme to ensure national employees of exceptional talent and ability can be trained to take on more senior roles within the organisation. The Board are in full support and continue to encourage initiatives such as these as they strengthen the pipeline of talent in the Group.

The key activities surrounding the professional development and leadership programmes are as follows:

Succession

- Mapping potential candidates to opportunities of senior level
    - For every critical position, a dynamic succession plan exists. Positions held by expatriates have been given priority with named national employees as potential replacements for these roles

The Process

- Broadening of candidates' skills and experience through:
    - Exposure
    - Mentoring
    - Shadowing

Target

- Increase the number of Egyptian nationals in leadership roles
- Reduction in expatriates year-on-year
- Development pathway defined for all positions and training programmes in place

(See Key Performance Indicators on page 38)

Challenges

Whilst there are clear merits to development programmes, it is important to navigate the opportunities for career progression with the opportunity to attract new talent from other areas of the business and from outside the business. Identification of individuals with the appetite to progress and the strength of character to undertake leadership and managerial positions is also a key consideration, requiring care and attention to ensure the individuals are ready to undertake senior roles.

The Sustainability Committee and Remuneration Committee have set and regularly monitor targets for training and development with the ultimate goal of developing proficiency for all positions and increasing local participation at senior levels.

Find out more at www.centamin.com

Fire safety training:

Emergency preparedness starts with regular training. Sukari has a dedicated, trained Emergency Response team in addition to trained individuals in each department, in fire-fighting, first-aid and emergency rescue to provide first response cover and assistance until the emergency response team arrives.

BOARD EVALUATION AND TRAINING

Board and committee evaluation

Annually, the Board undertakes a formal and rigorous annual evaluation of its own performance, its committees and that of its individual Directors. An externally facilitated board evaluation is conducted at least every three years. In 2019, the Board appointed Global Governance Group Limited (GGG Limited) to facilitate the evaluation and the following were highlighted as some of the strengths of the Board:

Strengths of the Board

Diverse

Gender, Nationality, Tenure, Skills

British, Australian, Egyptian, Canadian, South African

3 Females, 6 Males

Qualified and Experienced

Technical, Mining experience and knowledge

Robust

Governance Framework

Progress report on 2019 evaluation

	Continuous professional development	Strategy	Stakeholders	Performance
2019 recommendations	Training on specific areas of importance to be delivered during Board meetings. Clarity on matters reserved for the Board	Director involvement in long term planning including the investment and divestment processes	Director to determine levels of engagement with key stakeholders	Directors to agree on the best way to assess the operational and overall performance of the Company
2020 actions	Structured board training programme	Collaborative working on Board agenda items (Chairman, Senior Independent Director and Company Secretary)	Board level discussion on identification of all key stakeholders	Clarity on communication structures between Executive and Non-Executive Directors
Progress update	In 2020, all new Board members received training on the following: • UK Corporate Governance Framework • Listing rules (LSE / TSX) • On-line communications platform (M365) Committee induction programme for new members and comprehensive hand-over of duties. Development of standing agenda items, refreshment of the Board charter to ensure clarity of the matters reserved for the Board. In 2021, the Nomination Committee will focus on developing a continuous professional development policy and structure training framework for the Board.	Board consider the Group discount rates, forward pricing, economic assumptions and country risk and agreed the economic assumptions and discount rates for use in the Company's investment appraisals and budget processes. A clear 2021 timetable, with key focus areas for meetings, time allocations and follow up actions were also put in place. Focused meetings scheduled during the year to develop the longer-term Board strategy.	The Board were updated throughout 2020 on feedback from the engagement with key stakeholders. More information is available in Section 172 and Relationship with Stakeholders sections To further progress this, the Board will review and monitor the implementation of the stakeholder engagement plan in 2021 which forms part of the remit of the Sustainability Committee	The Board held more ad hoc meetings to maintain the communication flow throughout 2020 as physical meetings were not possible due to the COVID-19 pandemic. The establishment of a new Technical Committee in 2020 provided, in part, the much-needed solution to review and assess the technical and operational matters which feed into the overall performance of the Company. The Board will, in 2021, continue to develop plans which elevate the technical knowhow across the business and collaboration with other sectors within the Group to maximise value over the long term

The purpose of the training programme

INDUCTION
awareness of regulatory environmental and corporate policies

SYSTEMS
accessibility to Board information, data and records

ONGOING
updates to changes in legal, regulatory and technical standards

Board effectiveness

In accordance with the 2018 Code, a formal review process is conducted at least every three years by an external facilitator to assess how well the Board, its committees, the Chair and the Directors are performing as a collective and as individuals. The next externally facilitated evaluation is due to take place at the end of 2022.

Annually the Board and each committee has the opportunity to evaluate and assess their performance. The evaluation considers the following:

- Composition of the Board and each committee
- Diversity of skills, gender, experience and professional background
- Personal contributions and strengths and commitment of each individual Director
- Working as a collective in achieving the objectives of the Board and each committee

Internal evaluation process

The Chairman, Senior Independent Director and Company Secretary collaborated on the questionnaires circulated to the members of each committee. Once the format and content of questionnaire was agreed, individual members received the survey for completion. The Chairman, Senior Independent Director and each respective committee chair reviewed the results. The questionnaire helped in understanding how Board members work together and how effective meetings are in the boardroom. The results will be used to help improve or change the way in which information is shared, meetings coordinated and any necessary amendments to the Board or committee terms of reference.

An additional perception study was also undertaken in 2020, inviting our institutional stakeholders to assess the following:

- Investment proposition
- Strategy and capital deployment
- ESG and messaging
- Investor relations

The perception study was conducted using data led feedback, open discussion based on responses and comparative analysis. The purpose of this assessment was to understand the way Centamin, as a brand, is perceived by its stakeholders. The results guided the Board in understanding how well the markets received the changes that took place in 2020 including governance structure and operational capabilities. Key findings were worked through with the Company's brokers and senior management team to help shape the strategic direction of the Company.

YEAR 1
Internal evaluation

YEAR 2
Internal evaluation

YEAR 3
Externally facilitated evaluation

Board Effectiveness

KEY ACTIVITIES IN THE YEAR

Key activities of the Board in 2020

TOPIC	KEY ACTIVITIES DURING 2020	PROGRESS AND OUTCOME
Board market event (virtual investor presentation)	• Updated mine plan and guidance • LOA review • Tender process for open pit waste stripping contract	• Completion of Phase 1 of the two-phase LOA Review at Sukari • Approval of a four-year term contract awarded to Capital Drilling
Committee recommendations	• Board appointment and succession • A comprehensive geotechnical risk assessment was undertaken to identify the cause of movement in the Sukari open pit Stage 4 west wall • Sustainability Committee (previously within remit of the HSES committee) review and approval of community activities • Application of the Company's remuneration policy for the Executive Directors and senior management team	• Details of Board appointments are set out in the Nomination Report • Technical Committee instrumental in overseeing Phase 1 LOA review, Capital Drilling waste stripping contract tender and open pit Stage 4 west wall instability • Sustainability Committee is responsible for developing internal and external ESG reporting frameworks and takes responsibility for recommending donations to support the COVID-19 response • Clear remuneration targets set to align the Group's strategic goals whilst incentivising the right behaviours
Routine activities	• Periodic financial reporting and monitoring of the internal control environment • Annual budget preparations • Corporate and Board training • M&A opportunity assessment	• Publication of financial results and ongoing regulatory compliance • Delivery of comprehensive budget (including site level) • Corporate policies training rolled out across the business • Assessment of opportunities and development of a data room

2021 focus areas

The Strategic Report sets out the areas of focus for the Board for 2021 and through the work of the Board and its committees, the governance framework will focus on guiding, monitoring, challenging and advising on these key activities:

- Delivering the optimised underground life of mine plan
- Delivering on cost reduction initiatives and related capital projects
- Assessment of growth opportunities:
  - Exploration across the Sukari concession
  - Exploration projects in West Africa (Batie, Doropo and ABC)
  - EMRA Bid round and work programmes
  - M&A opportunities
- Sustainability performance
  - Construction of a hybrid solar plant to reduce demand for fossil fuel
  - Reinforce environmental and social governance and management assurance frameworks
  - Develop sustainability performance standards in line with industry good practice
  - In accordance with the Task Force on Climate-related Financial Disclosures, develop a long-term strategy and accompanying road-map to address the transition to net zero GHG emissions with specific targets and actions
  - Complete review of tailings management system and governance framework against the requirements of the Global Industry Standard for Tailings Management

TECHNICAL COMMITTEE REPORT

THE ESTABLISHMENT OF A TECHNICAL COMMITTEE HAS BEEN A POSITIVE STEP FOR THE COMPANY AND WILL BRING ABOUT RIGOUR IN PROJECT ASSESSMENT AND ACCOUNTABILITY TO THE COMPLIANCE TO PLAN THAT HAS BEEN AGREED BY THE BOARD.

CHAIR OF THE TECHNICAL COMMITTEE
HENNIE FAUL

Introduction

The newly established Technical Committee supports and advises the Board in reviewing technical and operational matters. The committee helps in monitoring decisions and processes designed to ensure the internal quality control and assurance over the Group's mining assets.

Committee purpose

The Technical Committee operates within the governance structure of the Group and the committee's primary functions are set out in the charter and are summarised below which include:

- Reviewing technical matters relating to exploration, development, permitting, construction, operation, decommissioning and rehabilitation of Centamin's mining activities and operations
- Understanding and assessing the resources and reserves on Centamin's mineral resource properties and the annual process of reviewing the reserve & resource statement
- Understanding the potential of the assets within Centamin's portfolio; reviewing plans to improve efficiencies; and monitoring and making recommendations as to Centamin's asset development and exploration practices
- Planning, preparation and review of technical reports and related disclosures whilst giving due consideration to wider stakeholders

For more information on the committee's charters please visit the Company's website on www.centamin.com

Membership

The committee comprises four Non-Executive Directors, a majority of whom are independent within the meaning of the 2018 Code. The Chief Executive Officer, along with members of the senior operations team are invited to attend meetings where appropriate.

Since its inception in June 2020, the Technical Committee met four times to discuss and consider its role and work in accordance with the committee charter. Regular informal meetings were held during this period with the Chief Executive Officer to bring the committee up to speed on all related technical matters. Ordinarily, meetings would be held four times a year.

Below are the details of the members and their attendance during the year:

Meetings held in 2020

Member	Membership details	Number of meetings attended	Maximum possible meetings
Hennie Faul	From establishment on 29 June 2020	4	4
Dr Catharine Farrow	From establishment on 29 June 2020	4	4
Dr Sally Eyre	From establishment on 29 June 2020	4	4
Mark Bankes	From establishment on 29 June 2020	4	4

Key activities in 2020

Q3 2020	Through the Technical Committee: • Preliminary review of the LOA (Phase 1) and related operational planning and capital project proposals • Review and evaluation of the tender process culminating in the appointment of Capital Drilling to carry out the waste mining contract • Review and evaluation of the tender process for the appointment of the solar EPC contract
Q4 2020	Through the Technical Committee: • Assessment of the geotechnical instability on the Stage 4 west wall within the open pit and associated revised mine planning • Review of the three-year physicals forecast and mine planning • Review the preparations for the Sukari Reserve and Resource statement

Focus areas for 2021

- Review of the underlying operational data for the optimised life of mine plan
- Review of the technical reports across the sites operations to include:
  - Batie, Doropo and ABC and proposals for development
  - Sukari concession work programme
  - EMRA bid negotiations and any resulting land work programmes
- Review of the significant capital project implementation programmes to include:
  - Solar project
  - Paste fill plant project
- Review of contract tendering for the open pit stripping programme and underground mining and development contracts
- Operational assessment of cost initiatives

For further information on the Company’s Reserve and Resources statement please see page [216] to [219] of the Annual Report.

CORPORATE GOVERNANCE COMPLIANCE STATEMENT

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.

The Company has complied with all relevant provisions of the 2018 Code except for full compliance with the following:

Tenure of the Chair (Provision 9 and 19)	Effective from the AGM on 29 June 2020, the Board appointed Jim Rutherford as Chairman of the Board (an Independent Director on appointment). Prior to this appointment Josef El-Raghy chaired the Board and was not an Independent Non-Executive Director on appointment to the Board in 2002. During this period, Jim Rutherford, who had been appointed effective January 2020 as Deputy Chairman took an active role working alongside Josef El-Raghy before succeeding him as Chairman after the 2020 AGM.
Director Independence (Provision 10)	The Board agreed that it was important for continuity and the retention of corporate history and knowledge that Mark Bankes be retained as a Non-Executive Director, notwithstanding his tenure whereby Mark Bankes reached his ninth anniversary on the Board in 2020. Mark Bankes is considered independent as he continues to demonstrate objective judgement and independence of thought by providing constructive challenge to management where necessary. Although length of tenure is used in determining independence in accordance with Provision 10 of the 2018 Code, the Board are satisfied that Mark remains independent in both thought and action. However, as a matter of good governance, the Board agreed that Mark Bankes would not serve on the Audit and Risk Committee or Remuneration Committee. As such, Mark retired from the Audit and Risk Committee at the AGM in 2020, following an orderly hand over. Mark continues to serve on the Board and is a valued member on the Nomination Committee and Technical Committee.
Remuneration Committee membership (Provision 32)	In respect to the Remuneration Committee, the membership changed at the AGM in 2020 with two members retiring, replaced by two new appointments. Effective from the AGM in 2020, the Remuneration Committee comprised of three members, two of whom are independent non-executive directors and one being the Board Chairman who was independent on appointment. The Code recommends that the Remuneration Committee comprise of at least three members who are independent non-executive directors, and the chair may serve as an additional member providing he is independent on appointment. At the recommendation of the Nomination Committee, the Board approved the appointment of Dr Fawzy as a member of the Remuneration Committee effective from 31 March 2021. The Remuneration Committee membership will then consist of Dr Sally Eyre (Chair), Marna Cloete, Jim Rutherford and Dr Fawzy in compliance with the Code.
Employee engagement (Provision 6)	Following the appointment of an ESG lead in 2020, plans to develop the existing employee engagement arranges are being progressed. The existing employee engagement forum called the 'Voice of Sukari' was in place during the year but had reduced activity due in part to change in senior management. Further details are available on the culture section on page 91 regarding the plans in progress for Voice of Sukari as well as how we have engaged with the workforce on page 90.
Post cessation shareholding (Provision 36)	As set out in the Directors Remuneration Report, the Remuneration Committee will be considering further their 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 and 2020, with support of the Sustainability Committee and Technical Committee when reviewing strategic decisions and the impact and consequences on wider stakeholders.

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).

Board leadership & purpose	
Promoting the long-term sustainable success of the Company	See page 24 in the Strategic Report
Alignment of purpose, values and strategy with our culture	See page 91 on the Culture case study
Effective controls framework	See page 30 on Risk management and internal controls
Stakeholder engagement	See page 31 on Relationship with stakeholders
Workforce policies and practices	See page 122 on Diversity Policy – Nomination Committee Report
Division of responsibilities	
The role of the Chair	See page 98 under the Governance structure
Non-executive directors	See page 99 under the Governance structure
Information and support	See page 220 under Shareholder information
Composition, succession and evaluation	
Succession planning	See page 102 under Skills and succession
Skills and experience	See page 92 under Directors biographies
Board diversity	See page 100 under Board diversity
Board evaluation	See page 106 under Board evaluation and training
Audit, risk and internal control	
Internal and external audit functions	See page 128 under the Audit and Risk Committee Report
Fair, balanced and understandable	See page 127 under the Audit and Risk Committee Report
Risk management	See page 130 under the Audit and Risk Committee Report
Remuneration	
Remuneration policies and practices supporting strategy and promoting long-term sustainable success	See page 137 under Remuneration Committee Report
Procedure for developing policy on executive remuneration	See page 132 under Remuneration Committee Report
Shareholder engagement	See page 141 under Shareholder information
Workforce engagement and policy alignment	See page 140 under Remuneration Committee Report

SUSTAINABILITY COMMITTEE REPORT

DURING 2021 THE COMMITTEE WILL BE REINFORCING ENVIRONMENTAL AND SOCIAL GOVERNANCE AT ALL LEVELS OF THE ORGANISATION AND ENHANCING THE GROUP'S SUSTAINABILITY PERFORMANCE STANDARDS IN LINE WITH GOOD INDUSTRY PRACTICE.

CHAIR OF THE SUSTAINABILITY COMMITTEE

DR. CATHARINE FARROW

Introduction

The newly established Sustainability Committee focuses on health, safety, environmental and social responsibility (including employee engagement), governance and risks associated with the Company's licence to operate

Committee purpose

The Sustainability Committee is a committee of the Centamin plc Board and operates within the governance structure of the Group. The committee's primary functions are set out in the charter and are summarised below:

- Develop the Company's approach to environmental, workplace health and safety, workforce engagement and the development of sustainable business and industrial activities with communities and wider stakeholders
- Establish and monitor the Group's activities in legal and corporate compliance with the Group's business operations and public image, in light of applicable government and industry standards
- Assists the Technical Committee with respect to wider stakeholder considerations and any related health, safety, environmental matters in connection with any exploration, development, permitting, construction, operation, decommissioning and rehabilitation of Centamin's mining activities and operations

For more information on the committee's charters please visit the Company's website on www.centamin.com.

Membership

The committee comprises of four Non-Executive Directors. The Chief Executive Officer, along with members of the corporate sustainability team are invited to attend meetings where appropriate

Since its inception in June 2020, the Sustainability Committee met twice to discuss and consider its role and work in accordance with the committee charter. Regular informal meetings were held during this period with the Head of ESG to bring the committee up to speed with all related ESG matters. During 2021, formal meetings are to be held every two months to give the committee sufficient time to develop the initiatives for 2021. Ordinarily, meetings would be held four times a year.

SITE BASED CLINIC AT SUKARI GOLD MINE

Below are the details of the members and their attendance during the year:

Meetings held in 2020

Member	Membership details	Number of meetings attended	Maximum possible meetings
Dr Catharine Farrow	From establishment on 29 June 2020	2	2
Marna Cloete	From establishment on 29 June 2020	2	2
Dr Ibrahim Fawzy	From establishment on 29 June 2020	2	2
Hennie Faul	From establishment on 29 June 2020	2	2

Prior to the establishment of the Sustainability Committee, Mr Edward Haslam and Dr Ibrahim Fawzy were chair and member, respectively, of the Health, Safety, Environmental and Sustainability (HSES) Committee.

Member	Membership details	Number of meetings attended	Maximum possible meetings
Edward Haslam	Member until June 2020	2	2
Dr Ibrahim Fawzy	Member until June 2020	2	2

Key activities in 2020

Q1 2020	Through the HSES Committee: • Review of site-based protocols including roster rotation, quarantine procedures, testing procedures and results and country risk assessments • Review of the health and safety reporting across all operations for 2019 • Preparation of the 2019 Sustainability Report • Publication of the updated Modern Slavery Statement • Tailings storage facility management review • Workforce engagement and response to the 'Voice of Sukari' • Financial support to the COVID-19 response in Egypt and West Africa
Q2 2020	Through the HSES Committee: • Policy review of the Health and Safety, Whistleblower and Diversity Policy for publication • Review of the Human Rights and Supplier Code of Conduct policies • Review of community activities in Egypt and West Africa
Q3 2020	Through the Sustainability Committee: • Review of H1 health and safety statistics, social and environmental performance • Publication of the whistleblower hotline and review of the internal protocol and escalation procedures • Review of government relations across the operation • Appointment and induction of the Group Health and Safety Manager • Informal committee discussions to establish a clear action plan for the committee
Q4 2020	Through the Sustainability Committee: • Review of the H2 sustainability performance across the operation • Overview of Group sustainability performance framework and preparations • Permit and licence considerations in West Africa • Distribution of the GRI ("Global Reporting Initiative") compliant materiality assessment • Emerging ESG themes and 2021 environmental social and governance action plan • Recommendation and approval of internal sustainability budgetary commitments

Focus areas for 2021

GOVERNANCE

Reinforce environmental and social governance and management assurance at all levels of the organisation through clarification and promotion of structures, role-relationships and accountability.

Put in place sustainability performance standards aligned to good industry practice Responsible Gold Mining Principles ("RGMPs"), Global Industry Standards on Tailings Management ("GISTM"), Task Force on Climate-related Financial Disclosures ("TCFD") and UN Guiding Principles on Business and Human Rights.

OUR PEOPLE

- Pilot initiatives to enhance gender diversity at an operational level
- Roll-out of structured professional development framework at Sukari
- Employee engagement strategy in place and measures to reinforce grievance mechanism for Sukari

SAFETY AND WELLBEING

- Reinforce critical risk standards for the Group
- Health and safety management plans in place and current for all assets

ENVIRONMENTAL

- Water and climate-related risk action plan in place and aligned with the TCFD
- Environmental management plans in place and current for all assets
- Life of mine rehabilitation and closure plan for the Sukari Mine
- Action plan in place for conformance with the global industry standard on tailings management

SOCIO-ECONOMIC

- Stakeholder engagement plan in place for all assets
- Community investment and development plan in place for Sukari
- Human rights due diligence complete

MEASUREMENT AND REPORTING

- Remuneration linked to sustainability performance including leading indicators
- Sustainability Performance Indicators aligned to RGMPs and targets in place
- Annual sustainability reporting alignment to GRI and SASB standards
- Third-party review of HSES performance
- Group statements in support of GISTMs, TCFDs, conflict-free gold and modern slavery

For further information on the committee's activities and wider environmental, social and governance initiatives please see 24 to 28 of the Annual Report. The Sustainability Report is due to be published in May 2021.

NOMINATION COMMITTEE REPORT

AN EFFECTIVE BOARD IS ONE WHICH IS DIVERSE, IN ALL ITS FORMS, WITH THE REQUIRED EXPERIENCE AND LEADERSHIP TO ACHIEVE ITS LONG-TERM STRATEGY. CENTAMIN HAS SUCH A BOARD AND HAS THE RIGHT GOVERNANCE STRUCTURE IN PLACE.

CHAIR OF THE NOMINATION COMMITTEE

JAMES RUTHERFORD

Introduction

This year saw a strengthening of the Board in terms of both membership and effective governance from which we have begun to build the business on the premise of discipline and potential. The Nomination Committee remained pivotal in reviewing the Board composition and making recommendations to the Board to appoint the right people with the right skills and experience.

In the wake of COVID-19 and the associated restrictions that came with it, it has never been as critical to ensure that members of the Board and senior management remain well connected.

Moreover, it is through strong leadership, collaborative thinking and resilience of our workforce that the Group has withstood the challenges faced in 2020 and are in a healthy position moving into 2021.

In this report, I highlight some of the key focus areas of the committee throughout the year including some of the processes that were undertaken to establish new committees and transitioning following the retirement of long-standing Board members.

KEY FOCUS AREAS DURING THE YEAR

- Completion of the Board succession and refreshment programme
- Continual development of the Board and senior management
- Induction and on boarding of new Board members

KEY FOCUS FOR 2021

- Talent management and professional development programmes
- Annual Board and committee evaluation
- Progress on diversity reporting and succession planning

SENIOR LEADERSHIP MEETING (PRE-COVID-19 OUTBREAK)

Picture taken prior to COVID-19 restrictions

Board succession and refreshment

After the completion of a comprehensive handover from my predecessor, Josef El-Raghy, I took on the role of Non-Executive Chairman on 29 June 2020. Additionally, key changes included Dr Sally Eyre who became the Senior Independent Director, replacing Edward Haslam who retired at the 2020 AGM. Marna Cloete was appointed chair of the Audit & Risk Committee following the retirement of Mark Arnesen from the Board. Hennie Faul was appointed to the Board in July 2020 and chairs the new Technical Committee which was mandated from 29 June 2020.

The Board appointments at a glance:

JANUARY

James Rutherford appointed in January with the intention of transitioning into the role of chair following the 2020 AGM.

APRIL

Martin Horgan appointed as Chief Executive Officer.

JUNE

James Rutherford appointed chair following Josef El-Raghy's retirement from the Board.

Edward Haslam and Mark Arnesen retired from the Board.

JULY

Hennie Faul appointed to the Board as Non-Executive Director.

James Rutherford
Chair of the Nomination Committee

Committee purpose

The Nomination Committee continued to review the composition of the Board whilst giving due regard to the succession plan for board and senior management. Whilst the Board delegates talent development to the senior management team, the Nomination Committee has continued to promote the importance of a good quality talent pipeline from which future leaders of the Company can emerge. With this in mind, diversity in gender, social background and ethnicity remain a progressive topic for the Board. For more information on the committee's charters please visit the Company's website on www.centamin.com

Membership

The committee comprises four Non-Executive Directors with Jim Rutherford as chair. Members of the senior management team are invited to attend meetings where appropriate. Below are the details of the members and their attendance at meetings held during the year:

Meetings held in 2020

Member	Membership details	Meetings attended	Written Resolutions	Total meetings attended
James Rutherford	Appointed to the committee on 29 June 2020	1	1	2
Dr Sally Eyre	Appointed to the committee on 29 June 2020	1	1	2
Mark Bankes	Appointed to the committee on 24 April 2019	2	3	5
Dr Ibrahim Fawzy	Appointed to the committee on 29 June 2020	1	1	2
Edward Haslam	Retired on 29 June 2020	1	2	3
Mark Arnesen	Retired on 29 June 2020	1	2	3

In addition to the above mentioned formal meetings and written resolutions, the Nomination Committee held a significant number of interviews and informal meetings to discuss the appointment and committee restructure during 2020.

Transition and continuity

The Board agreed that it was important for continuity and the retention of corporate history and knowledge that Mark Bankes be retained as a Non-Executive Director. Please see the topics in the report on Board Independence as well as the Code Compliance Statement.

The Board agreed to retain the services of Mark Arnesen to provide directorship services to the Company's Australian subsidiaries, providing continuity at a subsidiary level and ensuring ongoing compliance with the required number of locally resident directors. Edward Haslam was also retained in an advisory capacity for six months following the 2020 AGM to provide advice at a committee level on matters relating to ESG and linkages to pay and performance for senior management.

Assimilation of former HSES and CGC responsibilities

In the 2019 Annual Report and accounts, we reported that following the 2020 AGM the Board and committee structure would be refreshed. One major change for 2020 focused on dissolving the Compliance and Corporate Governance Committee (CGC) as well as the evolution of the Health, Safety, Environmental and Social Committee (HSES). As part of evaluating the Board composition, Board diversity and the effective working of Board members, the Nomination Committee was instrumental in facilitating the process of establishing the Sustainability Committee. It was also recommended that the Disclosure Committee would report directly to the Audit and Risk Committee (as well as to the Board, where necessary) and continue to be operational in accordance with the Company's Continuous Disclosure Policy.

In line with the long-term strategy of the business, which aims to improve operational efficiencies, the Board agreed with the establishment of a new Technical Committee to provide a platform for reviewing technical and operational matters as well as monitor the decisions and processes designed to ensure the integrity of the Group's Reserve and Resource estimation. Below is a table showing the re-allocation of CGC responsibilities across the Board committees:

Previous CGC responsibilities	Matters reserved for the Board	Audit and Risk	Technical	Sustainability	Disclosure
Group legal matters	◆	◆			◆
Government relations and significant correspondence	◆			◆	◆
Governance – 2018 Code compliance		◆		◆	
Governance – Jurisdictional/subsidiary/taxation		◆			
Regulatory matters (inc. related party transactions)	◆	◆			◆
Regulatory: LSE/TSX compliance		◆			
Business development: pre-feasibility	◆		◆		
Business development: fiscal and financial	◆	◆			

Technical Committee – Skills, experience and diversity

After carefully considering the skills and experience of the Board members, the Nomination Committee recommended that the Technical Committee would have at least three members of whom the majority would be independent Non-Executive Directors. To ensure that the Technical Committee would function effectively, it was recommended that each member would have mining industry experience and that at least one member would have an extensive background in mining operations. The Board agreed that membership would consist of the following skillset and experience:

Role	Relevant skills/ background	Experience	Diversity
Hennie Faul (chair)	Mining engineer	Experience across a range of commodities in various jurisdictions and highly relevant engineering expertise	Male – South African – Independent
Dr Sally Eyre (member)	Geologist	Extensive experience in global resource capital markets and mining operations with strong technical knowledge	Female – British – Independent
Dr Catharine Farrow (member)	Geoscientist	Mining operations, technical services, corporate development and exploration	Female – Canadian – Independent
Mark Bankes (member)	Corporate finance lawyer	Specialising in mining policy and agreements, mergers and acquisitions and international restructurings for the resource sector	Male – British – Independent (See further in this report, Board Independence and the Code Compliance Statement.)

Since its inception after the 2020 AGM, the Technical Committee met four times to discuss and consider its role and work in accordance with the committee charter. For more details on the committee, please see the Technical Committee Charter, which is available on our website.

Sustainability Committee – Skills, experience and diversity

The Sustainability Committee reflects diversity of gender (50% Female; 50% Male), skills and experience (technical, financial, government relations). Each of the members of this committee also hold positions on other Board committees, which means they have wide ranging views across the business and all the committees to help assess and monitor the Sustainability Committee objectives.

Role	Relevant skills/ background	Experience	Diversity
Dr Catharine Farrow (chair)	Geoscientist	Experience in the mining industry with public, private and academia. Expertise ranges from operations, technical services, corporate development and exploration.	Female – Canadian – Independent
Marna Cloete (member)	Qualified accountant	Substantial management experience within finance, community and government relations.	Female – South African – Independent
Dr Ibrahim Fawzy (member)	Former industry government official	Experience and insight in governmental relations, banking, investment and development, specifically within Egypt	Male – Egyptian – Independent
Hennie Faul (member)	Mining engineer	Experience across a range of commodities in various jurisdictions and highly relevant engineering expertise.	Male – South African – Independent

Since its establishment post AGM 2020, the Sustainability Committee met two times to discuss and consider its role and work in accordance with the committee charter. For more details see the Sustainability Committee Charter, which is available on our Website.

Committee memberships since the AGM in 2020

Audit and Risk Committee
Marna Cloete
Dr Catharine Farrow
Hennie Faul

Remuneration Committee
Dr Sally Eyre
Jim Rutherford
Marna Cloete
*Dr Ibrahim Fawzy

Nomination Committee
Jim Rutherford
Dr Sally Eyre
Mark Bankes
Dr Ibrahim Fawzy

Sustainability Committee
Dr Catharine Farrow
Marna Cloete
Dr Ibrahim Fawzy
Hennie Faul

Technical Committee
Hennie Faul
Dr Sally Eyre
Mark Bankes
Dr Catharine Farrow

* At the recommendation of the Nomination Committee, the Board approved in March 2020 the appointment of Dr Fawzy as a member of the Remuneration Committee effective from 31 March 2021. The Remuneration Committee membership will then consist of Dr Sally Eyre (Chair), Marna Cloete, Jim Rutherford and Dr Fawzy in compliance with the 2018 Code.

Diversity – At a holistic level

Diversity Policy

In recognising the benefits of promoting diversity and inclusion at the level of the Board and in senior management positions, the Diversity Policy of the Company clearly reflects on the importance of the Hampton-Alexander Review, which focuses on female representation, and the Parker Review, which focuses on Black, Asian, and minority ethnic representation. The Board is cognisant of the importance of promoting the strength of the Company by enhancing problem solving skills and encouraging innovative ideas, which can only be achieved by inviting and respecting diverse perspectives. The Diversity Policy aligns with the Company's values, which are summarised in the Strategic Report on pages 04 and 05.

Board and senior management diversity

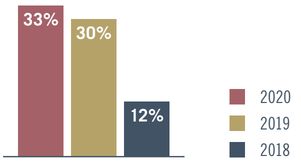
The Nomination Committee has a mandate from the Board to support the Company's Board diversity objectives when identifying and considering the selection of candidates for election or re-election to the Board.

Diversity is also an important consideration in determining the composition of the Company's senior management. The Nomination Committee promotes and is supportive for individuals from diverse backgrounds to hold senior management positions as this encourages better innovation, performance and effective decision-making but also will feed into a better succession pipeline of talented executives and senior managers.

Progress report

1. 33% female representation

The Board set out to meet the target and maintain a level of at least 33% female representation in accordance with the Hampton-Alexander Review. The Board's target was met and maintained throughout the course of 2020 as three Directors, out of the nine members, on the Board are female. At the beginning of 2020, female representation was at 30% as the Board was going through a transitional process, which saw three Directors retire at the 2020 AGM, and brought the percentage to 33% mid 2020.



The Board remains committed to having at least 33% female representation on the Board. The Nomination Committee will continue to make recommendations to the Board for any new appointments to be elected based on merit as well as taking into account diverse qualifications and experience, functional expertise and diverse skills and qualities of the candidates.

Following a review in 2020 of the methodology used in determining the composition of the 'Executive Committee', the female representation stood at 9% in comparison to 0% in the previous year. The increase to 9% is a result of the change in methodology used to assess those categorised as the most senior individuals below Board level in accordance with guidance issued by the Hampton-Alexander Review.

The Company's Diversity Policy principles and objectives also apply to the senior management, consisting of eleven members with one female member. The Board commits to developing a strong pipeline of female executives within the Group over the medium to long-term.

The direct reports are employees in a direct reporting line to members of the Executive Committee or nearest equivalent. There are 22 direct reports including five females, which results in 22% female representation at this level. Therefore, the total combined numbers for both the senior management and their direct reports is 18% female representation. The Board commits to develop a healthy talent pipeline diverse in skills, expertise, gender and ethnicity.

2. Ethnic minority background

The Parker Review recommendations state that FTSE 250 boards should have one director of colour by 2024. The Board has always been committed to greater transparency on ethnic diversity and has continuously met this target since this review's inception.

3. Professional development programme

As part of managing a dynamic talent pipeline of candidates considered to be of high quality, the Board supports the initiative that has been put into place by the senior management, known as, a professional development programme. This programme aims to develop and prepare national employees for more senior and leadership roles by encouraging senior individuals to take on additional responsibilities and roles to gain valuable experiences. The selected employees have the opportunity to shadow expatriates in various positions until they complete the programme.

Plans are underway for the Board to receive reports that detail the following:

- The selected national employees mapping them to the senior roles that expatriates currently hold
- Identified skills and experience to expand or broaden for each individual through exposure to the role (i.e. shadowing)
- Dependant on senior roles available, possible mentoring or buddying opportunities by Board members

Overboarding

The Nomination Committee assesses the time commitment devoted to the role for Centamin and other non-executive positions. It is noted that Jim Rutherford stepped down from the Anglo American Board at the end of December 2020 and holds two other board positions with listed companies. Dr Sally Eyre stepped down from Japan Gold in November 2020 in order to balance the responsibilities of her role with the Company and three other external appointments.

AUDIT AND RISK COMMITTEE REPORT

I AM PLEASED TO PRESENT THIS REPORT COVERING THE ACTIVITIES OF THE AUDIT AND RISK COMMITTEE DURING 2020.

CHAIR OF THE AUDIT AND RISK COMMITTEE

MARNA CLOETE

Introduction

I am pleased to present this report covering the activities of the Audit and Risk Committee during 2020.

During the year, the Audit and Risk Committee carried out an evaluation of its own performance, the effectiveness of the external auditors and a self-assessment on the effectiveness of risk management and internal control. 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 Hennie Faul in July 2020. In accordance with the planned succession for this committee, Hennie's appointment to the Board triggered the rotation of Mark Bankes off the committee.

Audit and Risk Committee reporting in 2020

During the course of 2020 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
- Updated the approach to risk management and internal controls across the Group
- Reviewed the Group's principal and emerging risks informed by the key risks from the business
- Reviewed the updated perspective on existing recommendations from historical internal audit reviews and the next steps for 2021 and beyond
- Discussed the potential approach to assurance mapping and the Group approach to meeting the suggestions from the Brydon Review
- Discussed the insurance renewal including the enhanced employee benefits cover and the plans for 2021 renewal
- Non-financial reporting indicators including environmental indicators see further the sustainability section of this report
- External audit work culminating in the annual and half-yearly audit report
- Compliance and regulatory updates and related policy updates and reviews

Committee purpose

The committee monitors the integrity of the financial statements of the Company, including its annual, half-yearly and quarterly reports and any other formal announcement relating to its financial performance, reviewing and reporting to the Board on significant financial reporting issues and judgments which they contain,

Key focus areas during the year	Key focus for 2021
Strategic • Life of mine model development including analysis of the parameters, inputs and scenarios • Led by the Committee, the Head of Risk reviewed the risk management framework and internal control structures • Insurance renewal focused on increased cover for our people including enhanced wellbeing provision • IT infrastructure reviewed to ensure efficient collaboration between then head office and operations	• Implementation of the revised risk management framework including, defining the taxonomy, development of key risk indicators and linking these to the refreshed risk appetite • Continued evolution of the insurance programme to meet the future needs of the business in a difficult market
Finance • Cost reduction and working capital management through mine management planning systems • Appropriate cost allocation across all resources	• Continue to drive improved free cash flow generation through stringent cost controls and cost saving initiatives
Control Environment • Reviewed the historical internal controls activity to provide latest position and focus for improvement recommendations	• Review of the key financial and operational processes to ensure efficiency and alignment with good practice as we work towards recommendations from the Brydon Review • Development of assurance mapping to provide an overview of the effectiveness of the control environment
Employee Engagement • Employee development pathway, leadership programme and succession planning • Review of the grievance mechanism and other employee engagement tools	• Roll-out of the employee development pathway, leadership programme and succession plans for all critical positions

having regard to matters communicated to it by the auditor. The committee assists the Board in discharging its responsibility to exercise due care, diligence and skill in the areas of:

- Application of accounting policy and reporting of financial information to shareholders, regulators and the general public
- Business risk management and internal control systems, including business policies and practices
- Corporate conduct and business ethics, including auditor independence and ongoing compliance with laws and regulations
- Monitor and review the effectiveness of the Company's internal audit function
- Determine whether the Annual Report and financial statements taken as a whole are fair, balanced and understandable

The committee's charter is available on ARC Charter on our website.

Membership

The committee comprises of three independent Non-Executive Directors, two of which chair other committees, which entails the ability to bring different perspectives of the other committees. Members of the executive are invited to attend meetings where appropriate. Below are the relevant skills, experience and diversity that makes up the committee:

Member	Relevant Skills/ Background	Experience	Meetings attended	Meetings held
*Marna Cloete (chair)	Chartered accountant and taxation professional	Finance expert in emerging markets with particular emphasis in Africa as well as substantial management experience within community and government relations	6	6
Dr Catharine Farrow	Geoscientist	Operational, technical services, corporate development and exploration expertise	3	3
Hennie Faul	Mining engineer	Qualified mining engineer with over 30 years' experience with knowledge of various commodities in multiple jurisdictions.	3	3

* Deemed to have recent and relevant financial experience in accordance with the 2018 Code

Attendance of the former members of the committee:

Name	Former member of the committee	Meetings attended	Meetings held
Mark Arnesen (Chair)	Retired from the Board on 29 June 2020	3	3
Edward Haslam	Retired from the Board on 29 June 2020	3	3
Mark Bankes	Retired from the committee on 29 June 2020	3	3

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	The Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020: Definition of Material – Amendments to IAS 1 and IAS 8; The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.	**Committee actions** The committee, together with management, considered and reviewed the impact of the new standards on the disclosures in the financial statements and were in agreement with management's conclusion that the amendments listed did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.
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 trigger 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 2020.	**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 trigger assessment that no impairment triggers were identified. The committee reviewed as part of the assessment for potential impairment at Sukari, the updated mine plan, latest Mineral Reserve and Resource update and production profile for 2021. **West Africa – Batie West** The committee assessed the carry value maintained on the balance sheet at the year end representing the original goodwill on the project upon the acquisition of Ampella. The committee considered, among other matters, the latest discussions with government and legal analysis of remaining tenure of the exploitation licence. The committee agreed with management that there were no impairment triggers and therefore no impairment was needed for the West African exploration assets.
Mine ROM Stockpiles	Accounting for transactions	The Group applies IAS 2 'Inventory' to its treatment of mine ROM Stockpiles as explained the accounting policies in the financial statements for the Group since the year ended 31 December 2018 and splits these stockpiles between current and non-current assets depending on the expected usage in the next 12 months. All mining inventory is costed based on the weighted average method and is based on contained ounces within the ore in each stage of the inventory cycle. Management presented a detailed assessment to allow the committee to determine whether low grade stockpiles should be impaired.	The committee considered the inventory valuation of the low grade ore stockpiles noting that the split in Mine ROM stockpile inventory between current and non-current assets in the financial statements reflected the usage of the Mine ROM stockpiles and is of more relevance and use to investors and users of the financial statements. The result of the impairment assessment was a NPV of higher value than the cost of the non-current Mine ROM recognised in the financial statements. The committee agreed that the stockpiles and associated accounting treatment would be further assessed with the life of mine planning in 2021.
Provisions – EMRA unrecovered cost recovery items	Accounting for transactions	Progress has been made with EMRA to address the unrecovered cost recovery items and the correspondence, which outlines PGM's settlement proposal, remains subject to the conclusion of a final and binding settlement agreement to be presented to the Board for approval. The provision for cost recovery items with EMRA constitutes a possible payment of US$17.6 million over 5.5 years, and this was discounted to present value using a discount rate of 0.63% per annum. A corporate provision of US$17.3m has been raised to cover this exposure of which US$10m was raised in 2020.	The committee noted the correspondence with EMRA to seek to resolve and settle the unrecovered cost recovery items. The committee agreed to include a provision which was considered appropriate given the nature and status of the settlement agreement. Negotiations continued in 2021 to bring resolution to the unrecovered cost recovery items.

TOPIC	SIGNIFICANT ISSUE	SUMMARY OF THE SIGNIFICANT ISSUE	KEY ACTION POINTS
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 five 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 three years as part of the overall viability statement. The period of three 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 80 and 81. 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 • Mineral Reserve and Resource update • 2021 – 2023 budgets • estimated gold price • variable and fixed cost assumptions • updates to the ongoing legal cases These financial statements for the year ended 31 December 2020 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.	**Going Concern:** **Committee Action** The Audit and Risk Committee reviewed the papers presented by management in respect to the going concern assumption. The committee were satisfied that management had performed a detailed analysis and forecasting to assess the economic impact of the Group on a going concern basis. The Group continues to benefit from a strong balance sheet with significant cash balances and no debt. Based on the information presented the committee were in agreement with management's conclusion that the Group is expected to be a going concern for at least twelve months from the date of signing the financial statements. **Viability:** 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 three years as part of the overall viability statement. Further details of this assessment can be found in the viability section in the Risk Review. **COVID-19** In assessing the potential impacts of COVID-19 on the Group, the committee challenged management on the parameters and risk assessment of the scenarios, input assumptions and mitigating factors and were satisfied this was a realistic review, however, further analysis on the impacts of the wider supply chain and continued restrictions on movement of personnel would be assessed through 2021. The committee agreed with management assessment that there were no material financial implications to our operations and Sukari continued to operate with gold sales still operating normally. To date there have been no significant impact to critical stock on site and additional stock has been purchased where required, however the committee continued to assess the backup plans in place.

Fair, balanced and understandable

The Audit and Risk Committee is satisfied that the controls over the accuracy and consistency of the information in the 2020 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 2020. 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 details are covered in the Operational Review on page 44 and in the Principal Risks on Page 72.

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 2020, 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

As part of the 2020 audit, the management team met with PwC to critically assess the previous Annual Report and discuss ways to improve the report for shareholders. 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
- 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
- linkages between governance, business and the strategy

Financial statements

- balance across the Annual Report as a whole
- understanding of the key judgments and estimates
- 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 Chief Financial Officer.

The assessment tool included approximately 16 questions which were completed by way of questionnaire and covered the following areas:

- 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 relationships between the Company and the external audit (apart from the ordinary course of business)
- the qualifications, expertise and resources of the auditor including a report of the auditor's own internal quality procedures
- 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 issues presented by the auditor were around areas of estimates such as, impairment assessment of non-current assets and going concern, which is an example of high-quality challenge and awareness of material issues exemplified by the auditor. 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 22 March 2021.
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. In-spite of the COVID-19 pandemic and travelling restrictions, the audit team were able to travel to Egypt in 2020 where possible including the opportunity for the Egypt audit team members to also visit the site to conduct the audit.

Having carried out the evaluation, the Audit and Risk Committee is satisfied that the audit engagement for the financial year ended 2020 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.

PwC performed no non-audit services in the year, other than the half year review. Deloitte LLP tax teams in the UK and Australia continue to provide tax advisory services, and none were provided by the external auditor. The Group's policy for non-audit services requires approval in advance by the Audit and Risk Committee of all non-audit services carried out by the external auditor. For certain services that are not excluded, 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.

Fees for audit services incurred during the year amounted to US$789k; there were non-audit services carried out by PwC during the year of US$134k. 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 seven 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 2021 AGM. PwC has expressed its willingness to continue in office as auditor.

Internal audit

The committee noted that whilst a reasonable approach to the existing scope of work had been undertaken, additional resourcing was necessary within the Group to maximise the impact of recommendations that were being put forward by the internal auditor.

During 2020 it was recognised that due to the impact of COVID-19 some of the planned internal activity would need to be revised. When the Head of Risk was appointed they coordinated a review by BDO of all historical audits and a refresh of the previously provided recommendations to present the latest position at the Audit and Risk Committee in December 2020. During the course of this review, BDO provided a subjective view on direction of travel for the design and effectiveness of the controls against the original scope of the historical audits. The overall view was that positive steps had been made and the review allowed us to have an updated perspective and focus for the remaining improvement areas moving forward.

The committee will be working with management to review the level of independent assurance which is provided to the Group in 2021. Following the development of the approach to assurance mapping, 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 rolling plan of work will contain suggested areas of review, with space for ad-hoc audits as required by the committee or management following any additional areas of risk which require further assurance.

The Audit and Risk Committee will monitor the progress this year and ensure the required resources and information are available to the Head of Risk to complete their scope of work. Over the course of 2021 it is expected that BDO will work with the Head of Risk to ensure that their activities align with the restructuring of the governance, risk and internal control framework.

Risk management and internal controls

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 emerging risks alongside the principal risks. Further detail on the oversight and monitoring is highlighted in the risk framework on pages 66 to 79 including the frequency of review and the accountabilities across the Group.

While the Board has overall responsibility for ensuring the adequacy of risk management and internal controls, the Board has delegated certain responsibilities to the Audit and Risk Committee. These include responsibility over monitoring the effectiveness risk management and internal control systems implemented by management, making suggestions on ways in which the business can improve its effectiveness. It advises on significant changes to that structure to obtain reasonable assurance that the Company's assets are safeguarded and that reliable financial records are maintained.

Due to the limitations inherent in any system of internal control, the oversight by the Audit and Risk Committee, provide robust but not absolute assurance against material misstatement or loss and is designed to manage rather that wholly mitigate risk. During 2020, no significant internal control failings were identified. The risk review on pages 66 to 79 of the Strategic Report includes further information on principal risks for the Group, emerging risks which were considered, an overview of our risk framework, the Group's statements on risk appetite and long-term viability.

The Audit and Risk Committee noted that, at an operational level, increased resourcing of key personnel within the senior management team drove focused activity in the potential improvements to the internal control environment through an understanding of the key risks and controls including budgeting, forecasting and overall reliability of information for the Group. Whilst we recognise the existing environment is adequate for our needs, improvements are

being driven by an understanding of the need for increased documentation and formalisation of the environment in response to the recommendations which were made by the Kingman and then Brydon reviews. Recognising the potential move towards a UK-SOX style of regime, we want to ensure we have a plan in place to meet any requirements and will be finalising the plan for this through 2021.

The Audit and Risk Committee and the Board are pleased to confirm that the Company remains in compliance with recognised good practice and with the 2018 Code, unless otherwise highlighted, and relevant Canadian requirements to ensure we have a sounds system of risk management and internal control in place during 2020.

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, as shown on the risk framework page 67 of the risk review section, in different locations with the ability to work remotely and utilise technology. Key individuals for 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.

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 finance team 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.

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.

Going concern and long-term viability

As set out in the report, with the Audit and Risk Committee recommendation and the Board's agreement, it was 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 1.3.5 to the financial statements. The statements in relation to the Group's viability, over the longer term, are set out in the Risk Review on pages 80 and 81.

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 2021 AGM along with the Chief Financial Officer to answer any questions in relation to this report.

Marna Cloete
Chair of the Audit and Risk Committee

REMUNERATION COMMITTEE REPORT

> OUR PERFORMANCE IS TESTAMENT TO THE LEADERSHIP DEMONSTRATED THROUGH THE YEAR AND THE COMMITTEE ACKNOWLEDGE THE STRATEGIC PROGRESS PARTICULARLY GIVEN THE CHALLENGING BACKDROP OF THE GLOBAL COVID-19 PANDEMIC.

CHAIR OF THE REMUNERATION COMMITTEE

DR. SALLY EYRE

Dear shareholders

Introduction

As chair of the Remuneration Committee, I am pleased to present the 2020 Remuneration Report. This is my first report as chair of the Remuneration Committee following my appointment at the 2020 AGM. I would like to thank the previous Chairman, Edward Haslam, for his contribution and dedication to the Remuneration Committee during his tenure.

This report includes our annual report on remuneration which describes how our Directors' Remuneration Policy was implemented for the year ended 31 December 2020 and how it is intended that the policy be implemented for the forthcoming year. For convenience, the report also provides a summary of the current policy approved by shareholders at the 2019 AGM.

Committee activities during the year

The committee activities during the year included:

- Assessing the FY 2019 executive bonus and FY 2017 Performance Share Plan award outturns
- Setting the 2020 incentive plan targets and monitoring performance against those targets
- Reviewing the Chief Financial Officer's base salary
- Setting the appointment terms of the new Chief Executive Officer, effective 6 April 2020
- Confirming the retirement terms of the former Chief Executive Officer
- Reviewing the remuneration packages for Executives Directors and new and existing members of the senior management team
- Reviewing the application of remuneration policy for 2021 (including the 2021 Performance Share Plan targets)
- Revising the new Chief Executive Officer's service agreement to align with the Company's operating model allowing time to be split between Jersey and London

Background to remuneration decisions

This has been a year of transition at Centamin, with key changes on the Board including a new Non-Executive Chairman and Chief Executive Officer, as well as a considerable strengthening of our senior management team.

Under the leadership of our new Chief Executive Officer, we have made considerable strategic progress against the challenging backdrop of the global COVID-19 pandemic. We completed Phase 1 of our Life of Asset Review of our Sukari mine and also completed a wide-reaching strategic review that focuses on how we intend to unlock Centamin's potential. Although we have managed our operational activity through the COVID-19 pandemic, there have been challenges during the year, including deferral of the

MAINTENANCE AREA AT SUKARI GOLD MINE

mining of higher-grade material from the open pit due to the movement in the Stage 4 west wall at Sukari. This impacted annual production guidance but reiterated our commitment to the safety and wellbeing of our employees. Notwithstanding the operational challenges, we achieved total gold production of 452,320 ounces, delivered adjusted EBITDA of $437.6m and did so with a strong health and safety record through the year.

In the context of COVID-19, our performance is testament to the leadership demonstrated through the year, especially by our operating team at Sukari who have been fast-acting and agile in their response to protect the health, safety and wellbeing of our workforce and contractors. This enabled the business to deliver continuity of operations through extended staff rosters, supply chain management and effective operational planning. The Board is proud of the commitment and resilience of all our employees throughout 2020.

Centamin has not taken any government support, did not furlough any employees or make any employees redundant and did not cancel any dividends as a result of COVID-19.

Incentive outcomes for 2020

The remuneration outcomes for the year reflected the context detailed above, recognising the strategic progress made but also the operational challenges faced during the year. Martin Horgan and Ross Jerrard's maximum annual bonus opportunity was 125% of salary.

As was the case in previous years, 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 the allocation of capital, improvements in the governance and control environment and personal targets for development of self and team. As disclosed in last year's Remuneration Report Ross Jerrard's personal/strategic targets included additional targets for the period he was Interim Chief Executive Officer from 1 January 2020 to 6 April 2020. Martin Horgan's bonus was pro-rata for the period of the financial year that he was employed, commencing on 6 April 2020.

As explained further on pages 144 to 148, based on actual performance against the various original targets set, Martin Horgan was awarded a bonus totalling 59% of the maximum bonus opportunity of 125% of salary (based on his pro-rata salary from his appointment on 6 April to 31 December 2020). Ross Jerrard was awarded a bonus totalling 59% of the maximum bonus opportunity of 125% of salary (which was inclusive of the pro-rata premium payable during his time as Interim Chief Executive Officer).

The bonuses earned for the year at £266,890 for the Chief Executive Officer and £334,448 for the Chief Financial Officer were considered to be fair and balanced based on performance against the targets set and also reflective of the progress the business made during the year. The performance conditions were not adjusted once set to take into account the impact of COVID 19. Payment of bonuses based on an assessment against the targets set was consistent with the approach taken across the Group for all employees who are eligible to receive annual bonus payments.

In June 2018, the Performance Share Plan ("PSP") awards were granted to Ross Jerrard (and Andrew Pardey the former CEO). Vesting was based on performance against independent targets relating to Centamin's relative total shareholder return compared against a bespoke set of mining peers (40%), compound growth in gold production (40%) over the three year period ending 31 December 2020 and compound growth in adjusted EBITDA (20%) over the same period.

The TSR of Centamin was below the median performance of the comparator companies over the period and therefore the TSR element of the 2018 awards lapsed. Threshold for gold production was not achieved as production in 2020 was below the threshold target set for the 2018 awards. Adjusted EBITDA performance was strong over the three-year performance period ending 31 December 2020, exceeding the 3.5% compound annual growth rate required for this part of the award to vest in full.

Full details of the vesting criteria and the vesting outcome are set out on page 148.

The committee did not use discretion in relation to FY 2020 remuneration outcomes concluding that, overall, the remuneration payments were consistent with the overall performance of the Company during the relevant performance periods. The committee is comfortable that our Remuneration Policy operated as intended in 2020. In reaching this decision, the committee noted that the bonus awards earned as a percentage of maximum were generally consistent across the senior leadership team as was the vesting of the 2018 long-term incentive awards. Whilst different bonus structures operate outside of the corporate leadership team, the committee noted that bonuses were payable across the Company based on performance against objectives set at the start of the year (as noted below). Given the Remuneration Policy operated as intended the committee is comfortable that it is achieving the right balance between performance and reward. As a result, the same structure will operate in FY 2021.

With regards to other remuneration payments, the Committee confirmed the retirement terms for the former CEO which were as set out in last year's Directors' Remuneration Report and included confirming that there would be no entitlement to a 2020 annual bonus for the period of his employment during the year and that he would be treated as a good leaver in line with default treatment and relevant discretions included in the 2015 PSP (e.g. awards vest subject to time pro-rating and performance targets). Further details are set out on page 153.

Wider employee remuneration context

During 2020, work was undertaken to update the corporate salary structures that operate and ensure that there were no gender or diversity biases within the current pay structures. Adjustments to salaries were made post year end to address the small number of anomalies that the work identified.

The committee also had sight of the Company's response to COVID-19 across the Group in terms of its impact on working conditions and was satisfied that employees were being treated appropriately in light of the exceptional challenges arising as a result of COVID-19.

The Bonus Scheme at Sukari is paid each quarter and includes KPIs such as safety, gold production and free cash flow generation. Executive and site based KPIs were considered and discussed with representatives from the workforce committees as well as formal discussions on workforce pay and benefits with senior members of the site-based team through the budget preparatory process.

Approach to remuneration in 2021

The Remuneration Committee intends to adopt the following approach to the Executive Directors' remuneration in 2021, in compliance with the existing policy:

Base salary

In line with the salary increase budget set for Jersey and UK based employees, Executive Director salaries will be increased by 2% for the FY 2021. Following the increase Martin Horgan's base salary is £494,700 and Ross Jerrard's base salary is £435,552.

The Chief Executive Officer's salary was positioned conservatively versus comparative market benchmarks on appointment with this being his first Official Listed Company CEO role. The appropriateness of this market positioning will be considered during the year in light of his increased experience and performance in the role.

Pension

Executive Directors have not historically received any Company contributions towards a pension. However, as a result of revising the CEO's service agreement which provides for the CEO to split time between Jersey and London, the CEO (along with all UK employees) is entitled to participate in a workplace pension in relation to his UK salary. In line with the UK auto-enrolment requirements, any employee may participate by contributing 5% of UK salary and the Company will contribute 3% of the UK salary. As a result of the change in his employment status in the UK the CEO has participated in our workplace pension scheme on the same terms as other UK employees from 1 October 2020 on his UK salary and continues to do so.

Annual bonus

Annual bonus opportunity for Executive Directors will remain unchanged at 125% of salary and continue to operate on a balanced scorecard basis. The same structure as operated in FY 2020 will continue albeit with metrics and targets within each category updated to reflect the current strategic priorities which were informed by the work in relation to the strategic review undertaken during the year that is focused on unlocking Centamin's potential:

- 70% of the bonus will be based on structured corporate objectives that include operations (e.g. production, material moved, strip ratio, recoveries, development and drilling), financing (e.g. profitability, costs and capex) and ESG (e.g. safety and environmental incidents)
- 30% of the bonus will be based on tailored strategic targets that for the Chief Executive include (but are not limited to) exploration, capital projects and growth objectives and for the Chief Financial Officer capital allocation, risk management and corporate funding
- any bonus earned in excess of 75% of salary will be deferred into shares.

2021 Performance Share Plan ("PSP")

2021 PSP awards will vest based upon an independent three year relative TSR, cash flow and production targets. In line with the approach outlined last year, Martin Horgan and Ross Jerrard will receive a PSP award over shares worth 150% of salary.

Further details of the incentive plan targets to operate in 2021 are included on page 153.

Remuneration Committee Engagement

Since the current Remuneration Policy is considered to be working effectively, and noting the wider feedback from employees through the Voice of Sukari forum which suggested remuneration more generally is well understood and aligned with Corporate objectives and culture, the committee did not make any material changes to remuneration for FY 2021. In light of this, there was no direct engagement on remuneration with our shareholders.

With a Remuneration Policy to be taken to the 2022 AGM, it is intended that shareholders, and the leading shareholder advisory bodies, will be consulted on directors' remuneration in 2021.

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. 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.

Dr Sally Eyre
Chair of the Remuneration Committee

Executive Director remuneration at a glance

Key component	How implemented in 2020	Intended implementation for 2021
Base salary	CEO – £485,000 CFO – £427,012. In addition, Ross received a salary supplement of £107,600 p.a. pro rata for the period of time that he fulfilled the role as Interim CEO.	CEO – £494,700 CFO – £435,552
Pension	CEO – 0% until 1 October 2020 followed by participation in the UK workplace pension from 1 October 2020 (where the Company contributed 3% of UK salary linked to a 5% of UK salary contribution) CFO – 0%	CEO – participation in the UK workplace pension (3% of UK salary Company contribution with a 5% of UK salary employee contribution in line with the UK workforce) CFO – 0%
Benefits	CEO/CFO – between 5% and 15% of base salary	CEO/CFO – between 5% and 15% of base salary
Annual bonus	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	CEO/CFO – 125% of salary maximum **Targets:** • 70% – financial/quantitative e.g. production, profitability, costs, material moved, strip ratio, recoveries, development, drilling, safety and environmental incidents • 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	CEO – 200% of salary (exceptional award granted on appointment) CFO – 150% of salary **Targets:** • 50% – relative TSR vs industry peer group • 25% – free cash flow generation • 25% – production	CEO/CFO – 150% of salary **Targets:** • 50% – relative TSR vs FTSE Gold Mines Index • 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 refiner 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	Link to Incentive Plans
Asset quality	
Gold production	Production targets employed in both the annual bonus and PSP.
Material movement and strip ratio	Adherence to the longer term mine planning assessed in the annual bonus.
Financial flexibility	
Cost control	EBITDA, cash costs and all in sustaining costs per ounce sold included in the annual bonus. Cost control is a driver of long-term returns to shareholders, measured via relative TSR in the PSP.
Discipline on capital allocation	Measurable and personal KPIs to reflect sound policy decisions and intelligent use of capital.
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, development and drilling meters	Identifying high grade from the existing mineral resource with production targets used in the annual bonus.
Self-funded growth and exploration	Mineral resource exploration development and growth targets are employed in the strategic element of individual KPIs within the annual bonus.
Exploration in West Africa	Individual KPIs to identify and deliver on projects outside of Egypt.
People	
Safety and incident reduction	LTIFR and TRIFR reduction used in ESG elements of the bonus structure. Ongoing workforce engagement, implementation of Group policies and embedding 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 118 to 143 of the 2018 Annual Report found on the Company's website:

Remuneration Policy for Executive Directors

Element of pay and link 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

Remuneration Policy continued

Element of pay and link 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 the Executive Directors.	N/A

Remuneration Policy for Non-Executive Directors

Element of pay and link 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 GB£250,000 effective from the 2020 AGM when Jim Rutherford took 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 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 38 and 43. 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	Through the remuneration policy we incentivise development of our culture, our values, attitudes, and behaviours. Our core values are protect, ownership, innovate, educate and passion which are linked to remuneration, in particular through the sustainability objectives that ensure we have robust safety standards that protect the workforce every day, improve our socio economic development in the countries of operation and responsibly manage and minimise the environmental impact of Centamin's activities. Details of our core values can be found on page 04 and 05 of the Strategic Report. 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.

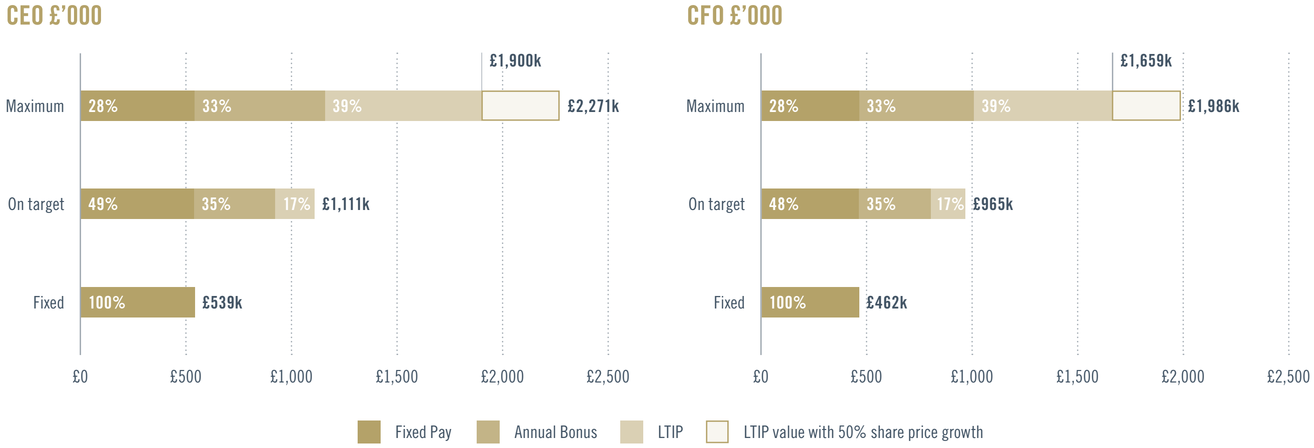
The committee's overriding objective is to ensure that the Remuneration Policy and practices are aligned to Centamin's culture and values and encourage the successful delivery of the Company's long-term strategy.

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 the Executives.



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 2021 and benefits calculated using the 2020 figure as set out in the table on page 135.

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. Members of the senior management team 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, safety and cost control measures at the mine. Further details on employee relations can be found in the Sustainability Report, which is published separately. At a site level, a benchmarking exercise was undertaken to align roles and experience and where applicable reset pay by grade and responsibility.

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 UK Corporate Governance 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 particularly through the budget process and more informal discussion groups to engage on workforce benefits and remuneration.

Due to the advent of widespread lockdown and travel restrictions we introduced a voluntary extended roster from the start of Q2 2020 which included increased pay by a ratchet mechanism for days worked over existing rosters. From mid-May 2020 we transitioned to an interim roster for expatriates which included additional allowances for isolation periods but normalised pay for on-roster time, then from 15 July we introduced the 'new normal' for all staff which closer aligned to previous rosters with additional days for isolation requirements. Throughout 2020 it was agreed that bonuses were paid to all staff on a quarterly basis to recognise their effort and in appreciation of their support. A discretionary bonus of an additional 14 days' pay (nationals) and seven days' pay (expatriates) was awarded to recognise the hard work, goodwill and resilience the team showed at Sukari through the global pandemic. All of the changes were discussed with representatives from site, approved by the COVID-19 Executive Committee and summarised to the Board.

Consideration of shareholder views

Feedback from shareholders and proxy advisors 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.

The Remuneration Committee has not undergone any significant direct consultation with shareholders during the year. However, when considering the implementation of the Remuneration Policy in 2020 and the proposed implementation in 2021, the Remuneration Committee considered the views of investors and best practice. We expect to hold a shareholder consultation process in the upcoming year as a part of the Remuneration Policy review process.

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. Details of the Executive Directors' service contracts are included on page 150.

The Chairman and Non-Executive Directors (appointed in the last two years) have formal letters of appointment which provide for three months' notice and those under existing service agreements (two years plus) 'reasonable notice'. 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 12 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		LTI		Pension		Total		Total fixed remuneration		Total variable remuneration	
Executives	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Martin Horgan	466,992	–	40,699	–	366,374	–	–	–	439		874,504	–	508,130	–	366,374	–
Ross Jerrard	589,862	544,169	35,706	78,966	459,115	440,711	186,214	–	–	–	1,270,896	1,063,846	625,568	623,135	645,328	440,711
Total	1,056,854	544,169	76,405	78,966	825,489	440,711	186,214	–	439	–	2,145,400	1,063,846	1,133,698	623,135	1,011,702	440,711

	Salary		Benefits		Bonus		LTI		Pension		Total		Total fixed remuneration		Total variable remuneration	
Non-Executives	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
James Rutherford	244,333	–	–	–	–	–	–	–	–	–	244,333	–	244,333	–	–	–
Sally Eyre	106,761	64,071	–	–	–	–	–	–	–	–	106,761	64,071	106,761	64,071	–	–
Catherine Farrow	96,988	28,284	–	–	–	–	–	–	–	–	96,988	28,284	96,988	28,284	–	–
Marna Cloete	100,081	30,459	–	–	–	–	–	–	–	–	100,081	30,459	100,081	30,459	–	–
Professor Ibrahim Fawzy	96,491	89,847	–	–	–	–	–	–	–	–	96,491	89,847	96,491	89,847	–	–
Mark Bankes	102,584	115,518	–	–	–	–	–	–	–	–	102,584	115,518	102,584	115,518	–	–
Hennie Faul	56,790	–	–	–	–	–	–	–	–	–	56,790	–	56,790	–	–	–
Josef El-Raghy	157,995	320,870	–	–	–	–	–	–	–	–	157,995	320,870	157,995	320,870	–	–
Edward Haslam	77,304	160,442	–	–	–	–	–	–	–	–	77,304	160,442	77,304	160,442	–	–
Mark Arnesen	55,659	115,518	–	–	–	–	–	–	–	–	55,659	115,518	55,659	115,518	–	–
Alison Baker	–	96,410									–	96,410	–	96,410		
Total	1,094,987	1,021,419	–	–	–	–	–	–	–	–	1,094,987	1,021,419	1,094,987	1,021,419	–	–

Notes to table:

- The following changes occurred in the relevant period:
  - James Rutherford joined the Board on 1 January 2020 as Deputy Chair and Non-Executive Director and was appointed Board chair on 29 June 2020.
  - Martin Horgan joined the Board on 6 April 2020.
  - Ross Jerrard's remuneration relates to his period as CFO and Interim CEO (1 January to 6 April 2020) and CFO (from 6 April 2020).
  - Josef El-Raghy retired from the Board on 29 June 2020.
  - Edward Haslam retired from the Board on 29 June 2020. Edward was retained in an advisory capacity for six months, providing advice on both ESG and wider remuneration and the link between pay and performance for executive and senior management. He received a fee of £25,000 for the six month period.
  - Mark Arnesen retired from the Board on 29 June 2020. The Board agreed to retain the services of Mark Arnesen for the provision of directorship services to the Company's Australian subsidiaries, providing continuity at a subsidiary level and ensuring ongoing compliance with the required number of resident Directors. He receives a fee of AU$90,000 per annum for these services.
  - Hennie Faul joined the Board on 1 July 2020.
- All salaries and fees are paid in sterling and to reflect the financial reporting currency of US$, year end bonuses are shown in the single figure table based on the year end exchange rate of $1.37/£1. All other values use the rate of exchange in the month of payment.
- The performance conditions relating to PSP awards granted in 2018 have been partially met as at 31 December 2020 (20% of the original award will vest) as detailed on page 148. None of the total LTIP value for Ross Jerrard ($186,214) is attributable to share price appreciation. The Remuneration Committee did not apply any discretion due to share price depreciation. Due to the performance conditions relating to PSP awards granted in 2017 not being met, the vesting figure remains nil.
- Benefits are within the limits of the policy and relate to the benefits package for the Executive Directors and include benefits for travel and insurances.
- Effective from 1 October 2021 – the CEO has participated in the UK pension by contributing 5% of UK salary and the Company contributed 3% of the UK salary.

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 2021	As at 31 December 2020	As at 31 December 2019
Annual base fee	GB£65,000	GB£65,000 (US$89,050)	GB£65,000 (US$89,050)
Chairman of a Board committee	GB£10,000	GB£10,000 (US$13,700)	GB£10,000 (US$13,700)
Member of a Board committee	GB£5,000	GB£5,000 (US$6,850)	GB£5,000 (US6,850)
Deputy Chairman and Senior Independent Director	N/A	N/A	GB£125,000 (US171,250)
Senior Independent Director	GB£10,000	GB£10,000 (US$13,700)	N/A

Notes to table:

- Until his retirement from the Board on 29 June 2020 Edward Haslam undertook an enhanced role as Deputy Chairman and senior Non-Executive Director and received a fee of GB£125,000. The duties associated with this role were detailed in the 2019 Annual Report in the Governance Report. Since the AGM in 2020 this role no longer operates and a separate fee became payable of GBP£10,000 for the role of Senior Independent Director in recognition of the additional time commitment of this role.
- The Company reviewed the Non-Executive Director fees during 2020 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$ figures for FY 2020 and FY 2019 in the table reflects the FY 2020 year end exchange rate of $1.37/£1.

2020 annual bonus (audited)

As summarised on page 135 the 2020 bonus plan for the Executive Directors was structured with 70% of the bonus opportunity based on financial/objectively measurable targets 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.

Financial/objectively measurable targets (70% of bonus opportunity)

Consistent structured financial/objectively measurable targets (audited) applied to both Martin Horgan and Ross Jerrard during the year as detailed below. The performance delivered against the targets resulted in 33% out of the maximum 70% available as being achieved (equating to 41.25% of salary) as detailed below.

Gold Production, LTIFR and Adjusted EBITDA (30% of bonus opportunity)

Under the gold production, LTIFR and adjusted EBITDA elements the committee determined that 16.5% of the maximum 30% of bonus opportunity was payable, using the following performance as the basis for this calculation:

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%	484.5	510	535.5	452.3	0	0
LTIFR (global)	Range	10%	0.29	0.18	0.01	0.17	6.5	8.1
Adjusted EBITDA	US$m	10%	297.7	330.8	363.9	$437.6m	10	12.5

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 measure.
- Maximum achievement represents 100% of the bonus opportunity for the respective performance measure.
- Production is based on ounces of gold produced.
- LTIFR is based on 200,000 working hours calculated for the Group.
- Adjusted EBITDA removes the effect of transactions that are not core to the Group's main operations.

Sustaining and direct operating costs (25% 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 therefore.

Under the sustaining and direct operating costs element, the committee determined that 6.8% of the maximum 25% of bonus opportunity was payable, using the following performance as the basis for this calculation:

Category	Performance measure	% of bonus opportunity	Threshold	Target	Maximum	Actual	Outturn as % of maximum bonus opportunity	Outturn as % of salary
Sustaining & operating Costs								
Cash cost of production (produced)	$/ounce	5%	677	645	612	719	0%	0%
Rebuilds	$,000	2.5%	28,167	26,826	25,485	31,270	0%	0%
Capital projects (progress to budget)	See note 1	2.5%	See note 1	See note 1	See note 1	See note 1	1. 5%	1.9%
Open pit								
Open pit mining	$,000	2.5%	124.7	113.7	102.0	121.2	0.9%	1.1%
Open pit cost per tonne mined	$/t	2.5%	1.45	1.38	1.24	1.52	0%	0%
Underground mining								
Underground mining	$,000	2.5%	28,462	25,875	23,287	25,604	1.6%	2.0%
Underground cost per tonne mined	$/t	2.5%	50	47	45	68	0%	0%
Processing								
Processing	$,000	2.5%	167,702	152,457	137,211	151,385	1.6%	2.0%
Cost per tonne mined	$/t	2.5%	13	12.45	12	12.71	1.2%	1.5%

Note 1. The committee assessed progress to budget and stage of completion and determined TSF2, solar and camp upgrades to be successful for the year. Two further projects did not meet the criteria for the year with the out-turn reflecting the importance attached to each objective at the start of the year.

Non-sustaining costs and capital projects (15% of bonus opportunity)

Under the non-sustaining costs and capital projects element, the committee determined that 9.7% of the maximum 15% of bonus opportunity was payable, using the following performance as the basis for this calculation:

Category	Performance measure	% of bonus opportunity	Threshold	Target	Maximum	Actual	Outturn as % of maximum bonus opportunity	Outturn as % of salary
AISC per ounce sold	$,000/ounce	5.0%	931	908	863	1,036	0%	0%
Corporate costs per ounce produced	$,000/ounce	2.5%	35	33	32	26	2.5%	3.1%
Sukari – exploration costs	$,000	5.0%	16,511	15,010	13,509	11,717	5.0%	6.3%
West Africa – exploration costs	$,000	2.5%	20,683	18,803	16,923	17,391	2.2%	2.8%

Note 1. The costs targets were met through efficiency of spend for the budgeted activities.

Personal/strategic targets (30% of bonus opportunity)

Martin Horgan

Achieved (audited)

The targets applicable to Martin Horgan's non-financial bonus were set in connection with his appointment on 6 April 2020. They included a combination of personal and strategic targets with the Remuneration Committee considering the key milestones achieved during the year which he was instrumental in delivering. These included the following:

Topic:	Target:	Achievement	Weighting (% of bonus opportunity)	Achieved (% of maximum)	Outturn as % of maximum bonus opportunity	Outturn as % of salary
2021 Budget	2021 Budget delivered to take account of Phase 1 of the LOA Review and impact on 2021.	Implemented revised budgeting process as part of the conclusions of strategic review. Enabled simplification of budgeting process with improved information flows.	3%	100%	3%	3.8%
Team development	Finalise the management structure, reporting lines, job roles and responsibilities. Develop the geology, engineering, project and ESG teams to provide effective management control and oversight to support corporate growth plans.	Delivery of senior leadership recruitment proposals and senior management expertise. Management of a refreshed team, delivering clear purpose, values and objectives.	2%	92%	1.9%	2.4%
Sukari review	Progress a comprehensive review of the Sukari operations to include the first phase of the LOA Review.	Fundamental base line work to underpin Phase 1 of the LOA Review. Demonstrated clear ownership and delivery of the review to investors in December 2020.	5%	88%	4.4%	5.5%
Planning cycle	Complete three-year planning cycle with capex reset programme for Board presentation.	The operational planning cycle and capital allocation proposals were presented and agreed to the satisfaction of the Board.	5%	85%	4.3%	5.4%
Exploration	Strategic direction and delivery across the exploration portfolio.	Delivery of a clear strategy to assess and provide preliminary studies across all projects in West Africa. Delivery of a clear strategy for regional exploration over the Sukari concession and broader regional potential. These were presented to and agreed by the Board.	4%	78%	3.1%	3.9%
ESG	Establish and support the E&S group to lead the business.	Recruitment of an E&S Group lead and embedding the role within the leadership and Sustainability Committee reporting structure.	2%	85%	1.7%	2.1%
Business development	Agree and progress business development strategy for growth targets.	Delivery of a clear strategic plan for Board review and discussion. Preparation for growth opportunities in Egypt culminating in a comprehensive application in the bid round.	3%	75%	2.3%	2.9%
Market & government relations	Assessment of external market engagement and government relations across all the sites' operations.	Achieved external market engagement based on the investor response to the LOA Review. Building of key relationships across Egypt and West Africa.	3%	90%	2.7%	3.4%
Capital projects	Assessment against progress on the capital projects (consideration to quality of the assessment, planning and delivery).	Completion of the preliminary works for the solar project and contractual progress. Completion of the new TSF ("TSF2") and facility upgrades.	3%	85%	2.6%	3.3%
TOTAL			30%		26%	32.5%

Total outturn: 26% out of a possible 30% of the max bonus opportunity.

Martin Horgan's total bonus based on a formulaic assessment of all the targets (financial / objectively measurable plus personal / strategic targets) was 59% of his maximum bonus opportunity. This level of achievement was applied to his pro-rated salary for the period of his employment (6 April 2020 to 31 December 2020) and multiplied by the bonus opportunity as a percentage of salary. As a result, Martin received a bonus of £266,890 or 73.75% of salary. As the net amount of the bonus earned is under 75% of salary, the bonus is payable in cash.

Ross Jerrard

Achieved (audited)

Ross Jerrard had objectives set at the start of the year which encompassed his dual roles of CFO and Interim CEO. His targets were revised following the appointment of Martin Horgan on 6 April 2020 (as set out in last year's Directors' Remuneration Report) with the targets set relating to his interim CEO responsibilities reverting to those relating to his CFO role only.

Topic:	Target:	Achievement	Weighting (% of bonus opportunity) Joint* / CFO	Achieved (% of maximum) Joint* / CFO	Outturn as % of maximum bonus opportunity Joint* / CFO	Outturn as % of salary Joint* / CFO
2021 Budget	2021 Budget delivered to take account of Phase 1 of the LOA Review and impact on 2021.	Implemented revised budgeting process as part of the conclusions of strategic review. Enabled simplification of budgeting process with improved information flows.	3%* / 3.6%	100%	3%* / 3.6%	3.8* / 4.5
Interim CEO role and corporate assistance	Lead the business as interim CEO whilst the recruitment process for a CEO is found. Following the recruitment undertake a hand over.	The committee reflected on the dedication and resilience shown by Ross Jerrard during this period which saw the Company manage a corporate defence, COVID-19 and a transition of Board and management team that was delivered ahead of expectations.	5%* / N/A	97%*	4.9%*	6.1%*
M&A	Assessment of financial modelling and setting valuation parameters and assessment of potential targets.	In addition to maintaining and refining detailed valuation models for the Group's assets the targets were exceeded through the detailed and timely production of assessments of a number of growth opportunities that enabled the Board to take informed decisions ahead of agreed milestones.	5%* / 6%	94%* / 90%	4.7% / 5.4%	5.8%* / 6.7%
Risk and Risk Assessment	Group wide risk assessment review.	Undertaking a comprehensive review of the Company's approach to risk assessment, identification, monitoring, tolerance and mitigation across all aspects of the business. Delivery required tailored training and regular working groups and involvement of the Audit and Risk Committee. The targets were largely delivered in full as evidenced to the Board.	3%* / 3.6%	80%* / 79%	2.4% / 2.9%	3%* / 3.6%
Regulatory and control environment	Group wide assessment of controls and adherence to regulations.	Assessment of internal and external assurance, and recommendations to the Audit and Risk Committee to improve the mapping and monitoring of the control framework.	3%* / 3.6%	78%* / 80%	2.3% / 2.9%	2.8%*/ 3.6%
Capital allocation	Project assessment to ensure key stakeholder engagement with required approvals for capex and cost recovery.	Navigation of budgetary approvals and cost recovery mechanism with EMRA for key capital projects during the year.	2%* / 2.4%	68%* / 65%	1.4%* / 1.6%	1.7%* / 2%
Training	Drive training programmes to ensure understanding of corporate policies including ABC and MSA across the business.	Refreshed training programme delivered throughout the senior leadership and senior management team.	2%* / 2.4%	95%* / 95%	1.9%* / 2.3%	2.3%* / 2.8%
Tailings storage facility	Tailings management and relevant approvals for TSF2.	Board information and engagement with key stakeholders to ensure approvals for the TSF2 and resource allocation for the existing facility.	2%* / 2.4%	65%* / 68%	1.3%* / 1.6%	1.6%* / 2%
Market & relationships	Review overall external market engagement process and approach in conjunction with CEO. Meeting with government officials across all the sites' operations as appropriate.	Consideration was given to the significant role undertaken to maintain market confidence and key relationships whist acting as interim CEO. The committee considered the strong relationships in Egypt that had been built and enabled the transition of CEO, Board Chair and senior leadership roles.	3%* / 3.6%	88%* / 89%	2.6%* / 3.2%	3.2%* / 4%
Treasury management	Application and consideration to the forex strategy, cash management and maximising returns. Review of cash, debt & hedging arrangements and opportunities.	Maintaining the Company's strategic objectives ensuring the options to deliver on the Company's dividend policy and ensuring a high level of capital discipline.	1%* / 1.2%	80%* / 88%	0.8% / 1%	1%* / 1.2%
Contracts	Successful renewal, tendering and renegotiation of significant contracts.	Bringing protocols to the tendering and contract renewal process in line with the Concession Agreement and to the satisfaction of the Board.	1%* / 1.2%	80% / 86%	0.8% / 1%	1%* / 1.2%
TOTAL			30% / 30%		26.1%* / 25.5%	32.6%* / 31.8%

Total outturn: 26.1% out of a possible 30% of the max bonus opportunity for the period of operating as Interim Chief Executive and CFO and 25.5% out of a possible 30% of the max bonus for the period operating as CFO.

Ross Jerrard's total bonus based on a formulaic assessment of all the targets (financial / objectively measurable plus personal / strategic targets) for the period to 6 April (i.e. his period as Interim Chief Executive) was 59.1% of his maximum bonus opportunity. This resulted in a bonus for the period to 6 April 2020 being calculated by applying this level of achievement to his pro-rata salary, including the pro-rata premium for undertaking the role of Interim CEO, for the period to 6 April 2020 and multiplying by the bonus opportunity as a percentage of salary. This resulted in a payment of £104,016. The same calculation was then undertaken for the balance of the year, based on his pro-rata CFO salary only to reflect his role as CFO, and based on an achievement of 58.5% of his maximum bonus opportunity this resulted in a further payment of £230,432. This resulted in a total payment of £334,448 being 59% of the maximum possible bonus over the full FY 2020 (or 73.75% of salary including the pro-rata salary supplement). As the net amount of the bonus earned is under 75% of salary, the bonus is payable in cash.

Long-term incentives – shares award table (audited)

Vesting of June 2018 PSP award

The performance conditions for the grants made in June 2018 covered the period from 31 December 2017 to 31 December 2020. Performance against the targets is set out below:

		Targets			Outturn
Category	Weighting	Threshold (25% of maximum)	Maximum (100% of maximum)	Actual	Achieved
Relative TSR vs a bespoke peer group of miners	40%	Median	Upper quartile	TSR below the median	Nil
2020 adjusted EBITDA	20%	Growth in EBITDA from the 2017 Adjusted EBITDA of $309.2m	+3.5% CAGR	2020 Adjusted EBITDA $437.6m	20%
2020 gold production	40%	Production maintained at levels achieved in 2017 544.6k/oz	+3.5% CAGR	452.3k/oz	Nil

Notes to the table

- TSR against the comparator group was independently verified by Korn Ferry. 25% of award vests at median, full vesting at the upper quartile.
- Adjusted EBITDA removes the effect of transactions that are not core to the Group's main operations.

Consequently, 20% of the awards granted in 2018 will vest in 2021 of which 50% of the vested shares will be deferred for a further two years. It is anticipated that 30 participants will receive a share of 650k award shares in June 2021. The awards will be satisfied by newly issued shares.

PSP award table (conditional awards) – Martin Horgan

Award date and basis[1]	Face value of award at grant date US$	Fair value of award at grant date in US$	End of performance period	Shares granted	Total outcome of vest	Total lapsed in 2020	Awards held on 31 December 2020
PSP 5 June 2020 (200% of salary)	1,254,977	837,800	31 Dec 2022	590,000	–	–	590,000

Notes to the table

- There is nil cost for conditional awards which are subject to performance conditions.
- The face value of the 2020 awards was £1.64 per award applying an FX rate of $1.297. The face value was calculated using the 5 day average share price based on the high and low daily share prices prior to grant.
- The fair 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	Face value of award at grant date US$	Fair value of award at grant date in US$	End of performance period	Shares granted	Outcome of Vest	Total lapsed in 2020	Awards held on 31 December 2020
PSP 27 June 2018 (150% of salary)	813,899	554,880	31 Dec 2020	510,000	102,000	408,000	102,000
PSP 14 June 2019 (150% of salary)	786,466	618,542	31 Dec 2021	617,000	–	–	617,000
PSP 5 June 2020 (150% of salary)	831,480	553,800	31 Dec 2022	390,000	–	–	390,000

Notes to the table

- There is nil cost for conditional awards which are subject to performance conditions.
- The performance conditions of the grant made on 27 June 2018 are set out on page 148 of this Remuneration Report.
- The face value of the 2020 awards was £1.64 per award applying an FX rate of $1.297. The face value was calculated using the 5 day average share price based on the high and low daily share prices prior to grant.
- The fair values of the awards are based on IFRS 2 valuation methodology set out in note 6.3 of the Financial Statements.

June 2019 performance criteria:

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:

Metric		Weighting	Threshold (25% vesting)	Stretch (100% vesting)
Relative TSR vs bespoke mining peer group		50%	Median	Upper Quartile
Free cash flow	$ million	25%	65	110
Gold production	'000 ounces	25%	510	590

June 2020 performance criteria:

The awards 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:

Metric		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

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 (1 October 2020 revised split contracts).	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 is eligible to participate in the UK workplace pension under which the Company contributes 3% of UK salary linked to a 5% of UK salary contribution	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 2020.

Name	As at 31 December 2020	Unvested conditional awards	Balance (1)	Percentage of base salary(3,5)
Executive Directors(2)				
Martin Horgan	606,405	590,000	16,405	4%
Ross Jerrard	1,882,000	1,517,000	365,000	114%
Non-Executive Directors(3)				
Jim Rutherford	200,000	–	200,000	106%
Mark Bankes	190,000	–	190,000	337%
Dr Ibrahim Fawzy	–	–	–	–
Sally Eyre	–	–	–	–
Catharine Farrow	–	–	–	–
Marna Cloete	15,000	–	15,000	23%
Hendrik Faul	–	–	–	–
	As at 29 June 2020			
Josef El-Raghy	10,500,000		10,500,000	5,500%
Mark Arnesen	49,000		49,000	77%
Edward Haslam	127,056		127,056	135%

(1) Of the Executive Directors the balance reflects the total shares owned and exclude the unvested share awards which remain subject to performance conditions.

(2) For Ross Jerrard, the Balance of shares includes 138,250 shares which are subject to the two year holding period under the terms of the PSP.

(3) Jim Rutherford joined the Board on 1 January 2020. Josef El-Raghy, Mark Arneson and Edward Haslam all left the Board on 29 June. The shareholdings of the departing Directors are as at their date of departure from the Board.

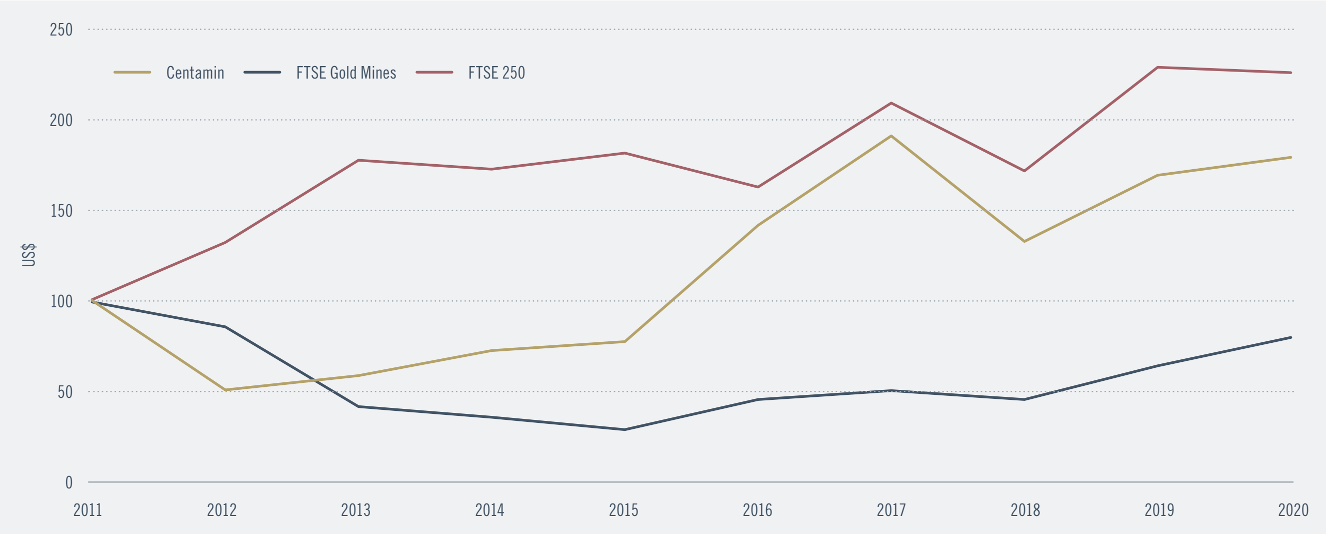
(4) No Non-Executive Directors hold shares, share options or awards that are subject to performance measures.

The valuations of the shareholdings are based on the three month average share price to 31 December 2020 of £1.33.

The Company does not currently have a policy on post-cessation holding requirements (as set out in Provision 36 of the UK Corporate Governance Code) but has been monitoring market practice in this area and shareholder views. The adoption of a policy on post cessation of employment share ownership requirements will form part of Remuneration Policy review to take place in 2021. The committee notes that the PSP rules have a two-year holding period requirement for vested shares that continues following the departure of an executive and so there is already a basic requirement in the current Remuneration Policy to retain shares post cessation of employment. There has been no change to Directors' shareholdings from 31 December 2020 to the date of this report.

Performance graph and CEO remuneration table (unaudited)

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 nine 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 [1]	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 [2]	Single figure remuneration	Annual bonus as % of maximum	Long-term incentives vesting in year as % of maximum
2015	US$1,063,348	68%	0%
2016	US$1,205,892	77%	0%
2017	US$3,096,791	78%	100%
2018	US$1,144,053	Bonus waived	40%
2019	US$1,020,730	30%	0%

(1) The CEO pay from 2012 to 2014 reflects the total remuneration for Josef El-Raghy while he held the position of CEO and Chairman.

(2) Andrew Pardey was appointed CEO from 1 February 2015 and retired on 13 December 2019 and received awards under the performance share plan from June 2015. Prior to 2015 awards were granted under the deferred bonus share plan reflecting his prior role as a COO.

Interim CEO – Ross Jerrard (3)	Single figure remuneration	Annual bonus as % of maximum	Long-term incentives vesting in year as % of maximum
2019	US$1,063,847	63%	0%
2020	**US$1,270,896**	**59%**	**20%**

CEO – Martin Horgan (3)	Single figure remuneration	Annual bonus as % of maximum	Long-term incentives vesting in year as % of maximum
2020	**US$874,065**	**59%**	**N/A**

(3) Ross Jerrard was appointed Interim CEO on 13 December 2019 until 6 April 2020 when Martin Horgan was appointed.

Percentage change in the remuneration of the Directors (unaudited)

The table below show the percentage change in salary, benefits and bonus for all Directors compared all employees.

	Average percentage change 2019–2020		
	Salary / Fee	Taxable benefits	Annual bonus
Martin Horgan	N/C	N/C	N/C
Ross Jerrard (2)	8%	-55%	4%
Jim Rutherford (4)	N/C	N/A	N/A
Sally Eyre (3)	N/C	N/A	N/A
Catharine Farrow (3)	N/C	N/A	N/A
Marna Cloete (3)	N/C	N/A	N/A
Dr Ibrahim Fawzy (3)	7%	N/A	N/A
Mark Bankes	-11%	N/A	N/A
Hendrik Faul	N/C	N/A	N/A
Josef El-Raghy (Director until 29 June 2020) (4)	N/C	N/A	N/A
Edward Haslam (Director until 29 June 2020) (4)	N/C	N/A	N/A
Mark Arnesen (Director until 29 June 2020) (4)	N/C	N/A	N/A
All employees (1)	15%	-1%	-15%

(1) Centamin plc does not have any direct employees, therefore we have voluntarily shown the change in Directors pay vs a wider employee comparator group. Centamin plc employs the senior management team through subsidiary service entities therefore the senior management team have been used as the comparator group 2020: 18 employees (2019: 13 employees). The percentage increase in salary reflects a restructuring of the senior executive team which has resulted in an increase to the average level of seniority of employee in 2020 versus 2019 within the team.

(2) The percentage reflects the year-on-year change recording in US$ in the single figure table. The base salary for Ross Jerrard increased by 3% from 2019 to 2020 and the difference in the table relates to the foreign exchange difference in the reporting currency and additional salary whilst Ross undertook the role of CEO and CFO. The maximum benefits and available bonus opportunity as a percentage of salary for the Executive Directors remained unchanged in 2019 and 2020.

(3) Any increase or decrease in Non-Executive Director fees reflects a change in the membership or chairmanship of committees. There were no increases to the base level fees for the Non-Executive Directors from 2019 to 2020.

(4) Jim Rutherford joined the Board on 1 January 2020. Josef El-Raghy, Mark Arneson and Edward Haslam all left the Board on 29 June and their annualised fee remained unchanged from 2019 to 2020.

(5) N/C is referenced where there is no comparator data for that individual or where a Director has not worked a full year (either in 2019 or 2020) and so the change would not be representative. N/A is referenced where the individual does not receive benefits of pension or an annual bonus.

Relative spend on pay (unaudited)

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 2019 and 2020	Percentage change	2019 Spend on pay $'million	2020 Spend on pay $'million
Comparator group [1]	4.4%	41.6	48.4
Remuneration of Centamin's Executive Directors	2.9%	2.08	2.14
Remuneration of Centamin's Non-Executive Directors [2]	7%	1	1.1
Distributions to Centamin shareholders[3]	-6%	111	104

(1) The comparator group is based on the average number of employees based in Egypt in 2020 where the majority of the Company's employees are based: 1,530 (2019: 1,374 employees).

(2) An increase in Non-Executive Director fees reflects a change in the membership of committees. There were no increases to the base level fees of the Non-Executive Directors from 2019 to 2020.

(3) The percentage change relates to distributions to shareholders for each financial year.

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.

Payment to past Directors (audited)

As disclosed in the 2019 Director's Remuneration Report, Andrew Pardey notified the Board of his intention to retire on 2 October 2019 and stepped down from the Board 13 December 2019 and remained an employee of the Company until 3 October 2020. In 2020, in line with his contractual terms Andrew Pardey continued to receive his salary (totalling £395,648) and benefits (totalling £40,408) during the period of his employment. In line with previous years, Andrew did not receive a pension contribution. The treatment of Andrew's remuneration arrangements upon leaving were in line with the policy and disclosed in full on page 159 of 2019 Annual Report. Pursuant to the rules of the PSP, he was determined a 'good leaver' in line with the default treatment and relevant discretions included in the 2015 PSP due to his retirement and so was eligible to receive outstanding PSP awards (2018 and 2019 award) on a time pro-rated basis subject to performance conditions at the normal vesting dates and subject to the two year holding period post vesting that will continue to apply for the 2019 award and the phased release of the 2018 award will continue to apply with 50% released on vesting at the end of the 3 year performance period and 50% a year later. In relation to his 2018 long-term incentive award granted on 27 June 2018, following a pro-rata reduction for the period if his employment (29 out of the 36-month performance period) and the application of the performance targets as detailed on page 148, 103,111 shares will vest out of the original award of 640,000 shares. The value on vest will be disclosed in the 2021 Directors' Remuneration Report.

Edward Haslam was retained in an advisory capacity for six months and Mark Arnesen provides directorship services to the Company's Australian subsidiaries. The fees payable in relation to Edward Haslam were £25,000 for the six-month period and Mark Arnesen AU$90,000 per annum.

There were no other payments to past Directors during the year.

Payments for loss of office (audited)

There were no payments for loss of office.

The committee (unaudited)

The Remuneration Committee is a committee of the Company represented by three independent Non-Executive Directors, namely Dr Sally Eyre (chair of the committee), Jim Rutherford and Marna Cloete. It is noted that as a result of the Board refreshment that took place during the year that included Jim Rutherford transitioning from Independent Non-Executive and Deputy Chairman to Company Chairman that the committee does not include three Independent Non-Executive Directors in addition to the Company Chairman. At the recommendation of the Nomination Committee, the Board approved in March 2020 the appointment of Dr Fawzy as a member of the Remuneration Committee effective from 31 March 2021. The Remuneration Committee membership will then consist of Dr Sally Eyre (chair), Marna Cloete, Jim Rutherford and Dr Fawzy. In compliance with the 2018 UK Corporate Governance Code, 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. The Executive Directors may attend meetings of the committee to make recommendations relating to the performance and remuneration of their direct reports but neither, nor the Company Secretary, attend meetings when their own remuneration is under consideration.

Current committee members	Joined	Attendance in 2020
Sally Eyre (chairman of the committee)	2019	4/ 4
Jim Rutherford	2020 (1)	2/ 2
Marna Cloete	2020 (1)	2/ 2
Other committee members during the year		
Edward Haslam	2011 (2)	2/ 2
Mark Arnesen	2011(2	2/ 2

(1) Jim Rutherford and Marna Cloete joined with effect from 29 June 2020.

(2) Edward Haslam and Mark Arnesen left the Board on 29 June 2020.

Activities of the committee

The committee met four times during the year and also approved one set of resolutions by way of written resolution. The business conducted during the year is set out below:

Date of activity	Summary of activity
Q1 2020	• Assessing the FY 2019 bonus and FY 2017 Performance Share Plan award outturns • Preparing the 2019 Directors Remuneration Report • Setting the 2020 incentive plan targets • Reviewing the Chief Financial Officer's base salary and 2020 performance targets as interim CEO
Q2 2020	• Setting the appointment terms of the current Chief Executive Officer, effective 6 April 2020 • Overseeing the remuneration packages of the newly appointed senior management team • Approving awards under the Company's Performance Share Plan and Deferred Bonus Share Plan • Review of shareholder, proxy and stewardship feedback from the annual general meeting • Confirming the leaver terms of the former CEO
Q3 2020	• Review the architecture of the Remuneration Policy • Setting the performance conditions for the Executive Directors for the remainder of the year
Q4 2020	• Revising the Chief Executive Officer's service agreement to align with the Company's future operating model which will require the Chief Executive Officer to split his time between Jersey and London • Reviewing the application of remuneration policy for 2021 • Preparing the executive performance conditions for the Executive Directors for 2021 • Undertaking the committee evaluation

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 chair 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 2020 totalled GBP£ 50,313. 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. The committee is satisfied that the advice provided on matters of remuneration remains objective and independent. Korn Ferry provided other human capital related services during the year to a separate part of the business, but these services were carried out by a team wholly separate to the remuneration advisory team. The committee is comfortable that the controls in place at Korn Ferry do not result in the potential for any conflicts of interest to arise.

Shareholder voting at the AGM (unaudited)

Set out in the table below are the votes cast for and against the adoption of the Remuneration Report at the AGM on 29 June 2020 and the Remuneration Policy at the AGM on 8 April 2019.

	For	Against	Withheld
Approval of the Remuneration Report (2020 AGM)	837,525,271 (99.9%)	820,555 (0.1%)	9,360,624
Approval of the Remuneration Policy (2019 AGM)	788,094,546 (98.6%)	11,189,768 (1.4%)	2,598,083

Policy implementation in 2021 (unaudited)

Base salary

In line with the salary increase budget set for Jersey and UK based employees, Executive Director salaries will be increased by 2% for the FY 2021. Following the increase Martin Horgan's base salary is £494,700 and Ross Jerrard's base salary is £435,552.

The Chief Executive Officer's salary was positioned conservatively versus comparative market benchmarks on appointment with this being his first Official Listed Company CEO role. The appropriateness of this market positioning will be considered during the year in light of his increased experience and performance in the role.

Pension

Executive Directors have not historically received any Company contributions towards a pension. However, as a result of revising the CEO's service agreement which provides for the CEO to split time between Jersey and London, the CEO (along with all UK employees) is entitled to participate in a workplace pension in relation to his UK salary. In line with the UK auto-enrolment requirements, any employee may participate by contributing 5% of UK salary and the Company will contribute 3% of the UK salary. As a result of the change in his employment status in the UK the CEO has participated in our workplace pension scheme on the same terms as other UK employees from 1 October 2020 on his UK salary and continues to do so. Ross Jerrard does not participate in, or receive, a Company pension.

Annual bonus

The annual bonus opportunity for Executive Directors will remain unchanged at 125% of salary and continue to operate on a balanced scorecard basis. The same structure as operated in FY 2020 will continue albeit with metrics and targets within each category updated to reflect the current strategic priorities as follows:

- 70% of the bonus will be based on structured corporate objectives that include operations (e.g. production, material moved, strip ratio, development, drilling meters and recoveries), financing (e.g. profitability and costs) and ESG (e.g. safety and environmental incidents).
- 30% of the bonus will be based on tailored strategic targets that for the Chief Executive Officer include (but are not limited to) exploration, capital projects and growth objectives and for the Chief Financial Officer capital allocation, risk management and corporate funding.

Further detail of the 2021 bonus structure is set out below:

	Performance measure	Weighting	Notes: The targets are challenging ranges that are set with reference to budgeted performance levels and will be tested using
Financial and objectively measurable	LTIFR / LTIRFR	10%	Published Group safety statistics
	Environmental incidents	5%	Published major incidents and unpublished minor incidents.
	Gold production	10%	Production from the Sukari concession
	Material moved / strip ratio/ development / drilling / recoveries	25%	Committee to assess contract management. Actual strip ratio to be adjusted for low grade ore that has been re-classified from waste
	Cash costs / AISC	10%	Published Group total cash cost per ounce produced. Commodity assumption of the fuel price will be assessed by the committee.
	Profitability / adjusted EBITDA	5%	Adjusted EBITDA will be per the published Non-GAAP measures.
	Capital projects	5%	Committee assessment of budget and stage of completion for solar and plant fill.
Individual KPIs	Balanced scorecard	30%	Strategic and personal KPIs to be assessed by the committee. For the CEO, the key objectives relate to an optimised LOM plan, exploration, solar and paste fill, E&S framework and cost initiatives. For the CFO, the key objectives relate to capital allocation and financial planning, cost initiatives, group risk, controls and governance.

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 Chair's letter).
- Maximum achievement represents 100% of the bonus opportunity for the respective performance measure.

In line with previous years, 62.5% of maximum is payable for performance targets. 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. Any bonus earned in excess of 75% of salary will be deferred into shares for two years.

Details of the bonus outcome will be summarised in the 2021 Directors' Remuneration Report.

Performance Share Plan ("PSP")

Executive Directors will receive a PSP award over shares worth 150% of salary, reflecting the approach disclosed in the 31 December 2019 Annual Report.

Awards will vest based upon a blend of three-year relative TSR, cash flow and production targets. Also, reflecting the Remuneration policy, these awards will be subject to a full two year post vesting holding period.

More particularly, the targets to be applied to this award are expected to be as follows:

Metric		Weighting	Threshold (25% vesting)	Stretch (100% vesting)
Relative TSR vs FTSE Gold Mines Index (the Index)		50%	Performance equal to the Index	Annual out-performance of the Index by 10% p.a.
Free cash flow	$ million	25%	45	70
Gold production	'000 ounces	25%	450	480

Notes:

- The Company's TSR performance will be assessed against the FTSE Gold Mines Index.
- The Remuneration Committee will assess performance based on free cash flow generated over the Sukari Concession Agreement in 2023.
- 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. The committee will consider an adjustment at the time of the vested award if the average annual gold price in 2023 is outside a 5% range of the budgeted estimate of $1,650/oz in the calculation of the estimated Free Cash Flow in 2023.
- The Remuneration Committee will assess performance based on gold produced in 2023 over the Sukari concession.

With regard to the targets set for the FY 2021 PSP award, they were the subject of review during the final quarter of 2020 and the targets are considered similarly challenging to those set in prior years.

With regard to the TSR performance target, the committee reviewed the existing comparator companies and having had regard to the geography and nature of the mining operations within the comparator companies concluded that a simpler and more robust approach to testing relative TSR performance would be to test performance against the FTSE Gold Mines Index. Historical back testing was undertaken to determine the appropriate level of out-performance required for full vesting under this element of the performance condition and it was set at 10% p.a. This level of out-performance was set as a proxy for typical upper quartile performance versus the constituents of the Index based on back-testing using data over the past five years which included two full award cycles. Furthermore, the committee also noted that sector peers using performance versus the FTSE Gold Mines Index also required 10% p.a. out-performance for maximum vesting.

With regard to the cash flow and gold production targets these were set with reference to both internal and external expectations for Centamin's future performance and, in particular, having had regard to the conclusions of the Centamin's wide reaching strategic review that focuses on how Centamin's potential can be unlocked but also having had regard to the short to medium term challenges posed by the structural issues within the open pit Stage 4 west wall at Sukari. In light of these factors, the committee was comfortable that the rebased targets were appropriately challenging and no less challenging than the performance targets set in prior years allowing for current commercial circumstances.

A final review of the quantum and targets will be undertaken prior to granted the awards.

Non-Executive Directors

No changes to the fees of the Non-Executive Directors will be made for 2021.

This report was approved by the Board of Directors and signed on its behalf by:

Dr Sally Eyre
Chair of the Remuneration Committee
22 March 2021

A CLEAR STRATEGY FOR FUTURE GROWTH

We start 2021 in a stronger position, with clear plans and milestones in place towards delivering consistent results, maximising free cash flow generation and unlocking further potential from our portfolio.

FINANCIAL STATEMENTS – CONTENTS

DIRECTORS' RESPONSIBILITIES

For the year ended 31 December 2020

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.

Companies (Jersey) Law 1991, as amended (the "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 Company Law.

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 130 and 131 and the risk management and principal risks section of the Strategic Report on pages 66 to 81.

The Board receives written assurances from the CEO and CFO that to the best of their knowledge and belief, the Group's financial position presents a true and fair view and that the financial statements are founded on a sound system of risk management, internal compliance and control. Further, they confirm that the Group's risk management and internal compliance is operating efficiently and effectively. The Board recognises that internal control assurances from the CEO and CFO can only be reasonable rather than absolute, and therefore they are not and cannot be designed to detect all weaknesses in control procedures.

The financial statements have been audited by 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 Martin Horgan (CEO) and Ross Jerrard (CFO) on 22 March 2021.

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:

Martin Horgan
Chief Executive Officer
Director
22 March 2021

Ross Jerrard
Chief Financial Officer
Director
22 March 2021

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 2020 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 2020; 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.

Our opinion is consistent with our reporting to the Audit and Risk Committee.

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 public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided to the group.

Other than those disclosed in note 6.5 to the financial statements, we have provided no non-audit services to the group in the period under audit.

Our audit approach

Overview

Audit scope

We performed an audit of the one significant component of the group, Sukari Gold Mine, based in Egypt, and performed specified procedures over other components in the group which are in three other locations; Burkina Faso, Ivory Coast and Jersey.

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
- Going concern assessment in light of COVID-19 impact

Materiality

- Overall materiality: US$10.8m (2019: US$8.8m) based on 5% of three-year average profit before tax.
- Performance materiality: US$8.1m.

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.

INDEPENDENT AUDITOR'S REPORT CONTINUED

Capability of the audit in detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined in the Auditors' responsibilities for the audit of the financial statements section, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations were connected with the ongoing legal actions which are under appeal before the Supreme Administrative Court and Administrative Court in Egypt; in relation to the validity of the Sukari Concession agreement and diesel fuel disputes respectively (see page 206 in the Annual Report), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies (Jersey) Law 1991, and relevant local laws in Egypt, Burkina Faso and Ivory Coast. We developed our understanding of the relevance of these laws and regulations to our fraud risk assessment, and how the Company manages this risk, through liaising with the Company's finance teams in both Egypt and West Africa, and utilising local team knowledge (under a body shopping arrangement) where necessary. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate results, and management bias in accounting estimates. We also note that the Company operates in countries which are at the higher end of the corruption risk index and therefore we designed procedures to address this risk. Audit procedures performed by the engagement team included:

- performing inquires with the group's external legal advisors and obtaining legal letters regarding the Sukari Concession Agreement and diesel fuel dispute cases;
- inspecting correspondence and related documentation, including the Concession Agreement, to understand any challenges to the cost recovery amounts and the basis of the directors' assessment of the likely outcome of the challenges (refer to the "Key audit matters" section below for further information on the procedures performed);
- testing journals that exhibit risk-based criteria, including unexpected account combinations that could be used to manipulate results including EBITDA and other key performance indicators, and journals posted by unexpected personnel;
- performing substantive procedures focussing on West Africa exploration activity, including direct enquiries with the local finance teams, and sample testing of expenses in relation to consultants used in West African exploration; and
- critical assessment of material estimates and judgements used by management, including in relation to the provision for restoration and rehabilitation, valuation of long-term stockpiles and amounts due to government.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Based on our procedures performed above, no instances of actual or suspected fraud, or non-compliance with laws and regulations, were identified.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, 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.

Impairment of property, plant and equipment, which was a key audit matter last year, is no longer included because we did not consider this to be an area of higher risk in the current year due to the price of gold increasing significantly year on year, and the fact that the group's market capitalisation remained in excess of the carrying value of its net assets. We also note that an impairment trigger assessment was performed by management in 2020, and no impairment triggers were identified. Based on the audit procedures performed we are satisfied that there were no impairment triggers in the current year. Otherwise, the key audit matters below are consistent with last year.

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 207 (note 5.1 to the financial statements) and page 69 (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 consequentially there could be risk of material impairment in non-current assets at Sukari, which have a carrying value of $921 million at 31 December 2020. 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 206 (note 5.1 to the financial statements) and page 69 (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 $367 million and the potential amount that the group could have to pay if they lose the historical case is approximately $26 million as at 31 December 2020. To date, the group has not recognised any upside on the balance sheet in relation to the $367 million fuel payment. It has also not provided for the historical $26 million, 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.	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 fuel payments 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 $26 million historical case and no residual contingent asset was recognised in respect of the current subsidy case. We agreed the disclosures for both of these matters in notes 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 179 (note 2.1 to the financial statements), page 185 (note 2.4 to the financial statements) and page 69 (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 the 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 estimate of the probable amount of the profit share liability. For the year ended 31 December 2020, the group has accrued and paid dividends to the non-controlling interest in SGM of $174 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. As at 31 December 2020, the provision for amounts due to EMRA (in respect of historic issues) was approximately $17m.	We agreed the amounts in the profit share 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. 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. With respect to the provision relating to historic cost recovery items, we have agreed this amount to the final written offer that was sent to EMRA in March 2021, and understand that both parties are in the process of finalising this agreement. We read the disclosures in notes 2.1 and 2.4 to the financial statements to ensure they were consistent with our knowledge and understanding of the matter obtained in the course of the audit.
Going concern assessment in light of COVID-19 impact	
Refer to page 177 (note 1.3.5 to the financial statements) and page 69 (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 performed a risk assessment of the potential ongoing impact of COVID-19 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 prepared a cash flow forecast covering the going concern period which included a number of downside scenarios, in order to assess the risk to going concern. The scenarios include significantly reducing processing and mining activities which management consider to be severe but plausible. Whilst the group has experienced some increase in costs in the year due to the impact of COVID-19, it is currently performing significantly better than the performance modelled by management in the downside scenarios. In all of the downside scenarios, management's forecasts showed that the group had positive closing liquidity during the going concern period, 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 and working capital reductions, both 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 going concern period. 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. We agreed the opening cash balance per management's model to the underlying accounting records. We critically evaluated management's downside scenarios and agreed that these were severe but plausible. We considered the impact of the downside scenarios on the group and the directors' disclosures thereon. The procedures that we performed to evaluate management's going concern assessment and our conclusions are included in the "Conclusions relating to going concern" section below. 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 1.3.5 of the financial statements and considered this to be acceptable.

INDEPENDENT AUDITOR'S REPORT CONTINUED

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 Ivory Coast, and has corporate office in Jersey. For financial reporting purposes, each of these represents a separate component of the group.

Our group audit scope focused primarily on the Sukari Gold Mine, which was subject to a full-scope audit. We visited the Sukari mine and conducted audit fieldwork in Egypt. 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 is based in Cairo. In addition, specific audit procedures were performed over material balances for three components relating to the group's exploration operations and corporate activities.

Additionally, we performed work over the consolidation of the group's components and the parent company.

Note that all procedures were performed by the group engagement team, including the work on the in-scope components.

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 judgement, we determined materiality for the financial statements as a whole as follows:

Overall group materiality	US$10.8m (2019: US$8.8m).
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 Sukari gold production and gold prices.

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 $9.8 million.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to US$8.1 million.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit and Risk Committee that we would report to them misstatements identified during our audit above $540,000 (2019: $440,000), being 5% of overall materiality, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the group's ability to continue to adopt the going concern basis of accounting included:

- obtaining the FY21 board approved budget, challenging management's assumptions and verifying that it is consistent with our existing knowledge and understanding of the business;
- obtaining and reviewing the group's cashflow forecasts for the going concern period, tying the opening cash balance to the financial statements, agreeing the inputs back to the board approved budget, and testing the model for mathematical accuracy; and
- reviewing the group's cashflow forecasts under severe but plausible downside scenarios, evaluating the assumptions used, and verifying that the group is able to maintain liquidity within the going concern period under these scenarios.

Refer also to the "Key audit matters" section above for further information on our audit procedures performed on the going concern assessment in light of COVID-19 impact.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's ability to continue as a going concern.

In relation to the company's reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this 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 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.

INDEPENDENT AUDITOR'S REPORT CONTINUED

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the group's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' 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 its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the group was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the group and its environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the group's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit and Risk Committee.

We have nothing to report in respect of our responsibility to report when 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.

Opinion 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.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities in respect of the Annual Report and financial statements Statement, 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

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.

Appointment

Following the recommendation of the Audit and Risk Committee, we were appointed by the members on 24 January 2014 to audit the financial statements for the year ended 31 December 2014 and subsequent financial periods. The period of total uninterrupted engagement is 7 years, covering the years ended 31 December 2014 to 31 December 2020.

Jonathan Lambert
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Recognized Auditors
London

22 March 2021

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 31 December 2020

	Note	31 December 2020 US$'000	31 December 2019 US$'000
Revenue	2.2	828,737	652,344
Cost of sales	2.3	(449,441)	(439,285)
Gross profit		379,296	213,059
Exploration and evaluation expenditure	2.1	(17,391)	(16,883)
Other operating costs	2.3	(56,392)	(38,709)
Other income	2.3	6,972	5,856
Profit on financial assets at fair value through profit or loss	2.6	960	3,889
Finance income	2.3	1,554	5,817
Profit for the year before tax		314,999	173,029
Tax	2.5	(50)	(112)
Profit for the year after tax		314,949	172,917
Profit for the year after tax attributable to:			
– the owners of the parent		155,979	87,463
– non-controlling interest in SGM	2.4	158,970	85,454
Total comprehensive income for the year		314,949	172,917
Total comprehensive income for the year attributable to:			
– the owners of the parent		155,979	87,463
– non-controlling interest in SGM	2.4	158,970	85,454
Earnings per share attributable to owners of the parent:			
Basic (US cents per share)	6.4	13.531	7.588
Diluted (US cents per share)	6.4	13.453	7.535

The above audited consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2020

	Note	31 December 2020 US$'000	31 December 2019 US$'000
Non-current assets			
Property, plant and equipment	2.9	829,884	804,717
Exploration and evaluation asset	2.10	63,701	68,138
Inventories – mining stockpiles	2.11	64,870	52,658
Other receivables	2.7	103	93
Total non-current assets		958,558	925,606
Current assets			
Inventories – mining stockpiles and consumables	2.11	118,705	108,957
Financial assets at fair value through profit or loss	2.6	–	6,454
Trade and other receivables	2.7	18,424	47,061
Prepayments	2.8	8,908	6,132
Cash and cash equivalents	2.16(a)	291,281	278,229
Total current assets		437,318	446,833
Total assets		1,395,876	1,372,439
Non-current liabilities			
Provisions	2.13	32,752	14,575
Other payables	2.12	1,437	–
Total non-current liabilities		34,189	14,575
Current liabilities			
Trade and other payables	2.12	64,488	57,411
Tax liabilities	2.5	267	227
Provisions	2.13	7,480	8,589
Total current liabilities		72,235	66,227
Total liabilities		106,424	80,802
Net assets		1,289,452	1,291,637
Equity			
Issued capital	2.14	668,807	672,105
Share option reserve	2.15	3,343	4,179
Accumulated profits		617,302	615,353
Total equity attributable to:			
– owners of the parent		1,306,648	1,293,528
– non-controlling interest in SGM	2.4	(17,196)	(1,891)
Total equity		1,289,452	1,291,637

The above audited consolidated statement of financial position should be read in conjunction with the accompanying notes.

The audited consolidated financial statements on pages 168 to 215 were authorised by the Board of Directors for issue on 22 March 2021 and signed on its behalf by:

Martin Horgan
Chief Executive Officer
Director
22 March 2021

Ross Jerrard
Chief Financial Officer
Director
22 March 2021

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2020

	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 2020		672,105	4,179	617,244	1,293,528	(1,891)	1,291,637
Profit for the year after tax		–	–	155,979	155,979	158,970	314,949
Total comprehensive income for the year		–	–	155,979	155,979	158,970	314,949
Own shares acquired		(3,298)	–	–	(3,298)	–	(3,298)
Net reversal of share-based payments		–	(836)	–	(836)	–	(836)
Dividend paid – non-controlling interest in SGM	2.4	–	–	–	–	(174,275)	(174,275)
Dividend paid – owners of the parent		–	–	(138,725)	(138,725)	–	(138,725)
Balance as at 31 December 2020		668,807	3,343	634,498	1,306,648	(17,196)	1,289,452

	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

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 2020

	Note	31 December 2020 US$'000	31 December 2019 US$'000
Cash flows from operating activities			
Cash generated from operating activities	2.16(b)	453,315	249,048
Income tax refund received		–	170
Income tax paid		(10)	(214)
Net cash generated by operating activities		453,305	249,004
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		7,414	6,799
Acquisition of property, plant and equipment		(127,099)	(81,207)
Brownfield exploration and evaluation expenditure		(11,717)	(12,198)
Finance income	2.3	1,554	5,817
Net cash used in investing activities		(129,848)	(90,153)
Cash flows from financing activities			
Own shares acquired		(3,298)	–
Dividend paid – non-controlling interest in SGM	2.4	(174,275)	(87,075)
Dividend paid – owners of the parent		(138,725)	(81,029)
Net cash used in financing activities		(316,298)	(168,104)
Net increase/(decrease) in cash and cash equivalents		7,159	(9,253)
Cash and cash equivalents at the beginning of the year		278,229	282,627
Effect of foreign exchange rate changes		5,893	4,855
Cash and cash equivalents at the end of the year	2.16(a)	291,281	278,229

The above audited consolidated statement of cash flows should be read in conjunction with the accompanying notes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
for the year ended 31 December 2020

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 ("EU") and interpretations issued from time to time by the IFRS Interpretations Committee ("IFRS IC") both as adopted by the EU and which are mandatory for EU reporting as at 31 December 2020 and 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 and financial liabilities (including derivative) instruments at fair value through profit or loss.

The consolidated financial statements for the year ended 31 December 2020 were authorised by the Board of Directors of the Company for issue on 22 March 2021.

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.

1. Current reporting period amendments

1.1 Changes in critical judgments and estimates

There were no material 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 Group has applied the following standards and amendments for the first time for their annual reporting period commencing 1 January 2020:

- Definition of Material – Amendments to IAS 1 and IAS 8;

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

For a detailed discussion about the Group's performance and financial position, please refer to the financial review.

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 Judgement: Control

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 and controlled entity 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.

1.3.1.1 Judgment: Accounting treatment of the Sukari Gold Mining Company ("SGM")

Pharaoh Gold Mines NL (the holder of an Egyptian branch) ("PGM") and EMRA are 50:50 partners in SGM. However, SGM is fully consolidated within the Group as if it were a subsidiary due to it being a controlled entity, reflecting the substance and economic reality of the Concession Agreement ("CA") (see note 4.1 and note 4.2 to the financial statements).

IFRS 10 'consolidated financial statements' defines control as encompassing three distinct principles, which, if present, identify the existence of control by an investor over an investee, hence forming a parent-subsidiary relationship. The principles are:

1. power over the investee;
2. exposure, or rights, to variable returns from its involvement with the investee; and
3. 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 Company's control, through PGM, of SGM

PGM is a 100% owned subsidiary of the Company. The Company, through PGM, has the right to appoint or remove the managing director of SGM under the terms of the CA and in doing so controls the activities in relation to the operation of SGM that most significantly affect the returns of SGM. These are all illustrated in the sections that follow:

a) The duties of PGM

- PGM controls the appointment of the General Manager ("GM") at the Sukari Gold Mine;
  - By controlling the appointment of the GM and directing their activities, the GM will make all day-to-day decisions to allow the mine to operate in a manner that aligns with the Company's objectives 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 ("LOM") and approval of the same;
    - managing 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 LOM (i.e. exploration, development and production phases);
    - funding additional exploration and expansion programmes within the mine during the production phase;
    - taking 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.

b) The duties of EMRA

- EMRA must, under the terms of the CA, provide the required approvals to allow the mine to operate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

1. Current reporting period amendments continued

1.3 Critical judgments and estimates in applying the entity's accounting policies continued

c) The duties, role, and function of the board of SGM:

- The board of SGM has 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.
- The board of SGM 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, review, and approve all the following in relation to SGM:
    - the budget;
    - the annual financial statements;
    - the cost recovery position; and
    - other compliance matters.
  - The board of SGM is not allowed to unreasonably withhold approval of any of the above.
- If there is a disputed matter or deadlock position at an SGM board level, it is resolved as follows:
  - 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, under the 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, through PGM, is therefore exposed to the variable returns of SGM, 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 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 Judgment: Treatment and disclosure of EMRA profit share

EMRA holds 50% of the shares in the Group controlled entity, 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("NCI") in SGM 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, including current cost recovery payments due, 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 from 1 July 2016), 55/45 (second two years from 1 July 2018) and 50/50 (from 1 July 2020) 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

1. Current reporting period amendments continued

1.3 Critical judgments and estimates in applying the entity's accounting policies continued

1.3.2 Judgment: Impairment trigger assessment

IFRS requires management to test for impairment if events or changes in circumstances indicate that the carrying amount of a finite life asset may not be recoverable.

Considering the requirements of IAS36 an impairment trigger assessment has been performed.

Group operating assets

As part of the impairment trigger assessment, management have also considered movements in the key assumptions which have historically been used in impairment assessments and are satisfied that there have not been any changes that would constitute an impairment trigger. These include changes to:

- forecast gold prices;
- discount rates;
- production volumes;
- reserves and resources report; and
- costs, taking into consideration the impact of the solar plant on those costs and emissions targets; and
- recovery rates.

On review, no impairment triggers were identified.

Exploration and evaluation assets

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 judgements 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 judgements 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 judgement is made that recovery of the expenditure is unlikely or the project is to be abandoned, this would constitute an impairment trigger which requires an impairment assessment to be performed. The result of that impairment assessment could be that the relevant capitalised amount will be written off to the income statement.

On review, no impairment triggers were identified.

1.3.3 Judgment: 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 any financial settlement.

The Group is currently a party to two significant legal actions in Egypt, both of which could adversely affect its profitability and, in the case of one of them, may affect its ability to operate the mine at Sukari in the manner in which it is currently operated. 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 continued to pay international prices for Diesel Fuel Oil until 2020, when the domestic subsidy on Diesel Fuel Oil was withdrawn. Consequently, there is no longer a distinction between domestic and international prices for Diesel Fuel Oil, and the Group is liable to pay the price announced quarterly by the Egyptian Ministry of Petroleum which is generally applicable.

With respect to the Administrative Court ruling in the Concession Agreement case (discussed in note 5.1 below), 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 2016, the Company's appeal was indefinitely stayed by the Supreme Administrative Court, pending judgment in a case currently before the Supreme Constitutional Court, the outcome of which may affect the Concession Agreement case. Further details are provided in note 5.1 below.

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 Group is in regular contact with its Egyptian lawyers, who are monitoring developments in the litigation cases on a day-to-day basis and is therefore in a position to react swiftly if and when action is required.

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 Estimate: Mineral Reserve and Resource statement impact on ore reserves

The Group Mineral Reserve and Resource statement for SGM with an effective date of 31 December 2020 is contained in this report on page 216. The Mineral Reserve estimation has used an assumed gold price of US$1,450 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 Mineral Reserves. Assumptions that are valid at the time of estimation may change significantly when new information becomes available.

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. Please refer to the Mineral Reserve and Resource statement impact on ore reserves sensitivity, note 3.1.1(i).

1.3.5 Estimate: 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.

COVID-19

The FRC has released updated guidelines regarding disclosure of "material uncertainties" related 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 possibility 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 has and will continue to have its effect, but currently there are no material financial implications to our operations, Sukari continues to operate with confirmed cases on site, gold sales are still commencing on a weekly basis. Weekly cash flow forecasts continue to be performed and distributions to EMRA and PGM are continuing at the moment, however these can be halted should cash be required locally. To date there has been no significant impact to critical stock on site and additional stock has been purchased where required, this is continuously being assessed and further backup plans are in place. Due to the current travel restrictions, the expatriates and Egyptian nationals on site are working longer shifts and are being compensated accordingly when this occurs, however everything possible is being done to assist them to meet their rotation schedules.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

1. Current reporting period amendments continued

1.3 Critical judgments and estimates in applying the entity's accounting policies continued

1.3.5 Estimate: Going concern continued

COVID-19 continued

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 2020 the Group had cash and cash equivalents of US$291 million and therefore it is very likely that liquidity security for the Group is given for at least twelve 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 and the 2021 budget to assess the potential downturn this pandemic could have on its business, the scenarios addressed were:

- Open pit: 30% reduction in ore and waste;
- Underground: 30% reduction in stoping and development;
- Processing: 20% reduction in ore processed;
- Processing: 50% reduction in ore processed; and
- A combination of the first three reduction scenarios above.

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 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 a combination of the first three reduction scenarios above 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 22 March 2021.

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 CV-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, all corporate offices are currently open with strict COVID-19 protocols for the employees that choose to work from there, however, most employees are still 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.

Based on a detailed cash flow forecast prepared by management, in which it included any reasonably possible change in the key assumptions on which the cash flow forecast is based and assessed 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 22 March 2021 and that at this point in time there are no material uncertainties regarding going concern. Key assumptions underpinning this forecast include:

- available cash balances;
- favourable litigation outcomes, for current litigation refer to note 5.1 to the financial statements;
- gold price of US$1,450/oz.; and
- production volumes in line with 2021 guidance.

These financial statements for the year ended 31 December 2020 have therefore been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations, in preparing these financial statements.

1.3.6 Estimate: Long-term gold price used in the non-current stockpiles NRV assessment

All inventories are stated at the lower of cost and net realisable value. Management and Directors believe that the estimates used regarding long-term gold prices in the non-current stockpiles NRV assessment are critical estimates and are realistic based on current information. Please refer to inventories, note 2.11.

1.3.7 Estimate: Restoration and rehabilitation provision unit rates

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$1.8 million impact on the provision and corresponding asset amounts, with a highly insignificant effect on the consolidated statement of comprehensive income. Please refer to note 2.13.

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 2020 US$'000	31 December 2019 US$'000
Egypt	921,427	888,681
Burkina Faso	35,766	35,845
Côte d'Ivoire	467	524
Corporate	898	556
	958,558	925,606

Additions to non-current assets mainly relate to Egypt and are disclosed in note 2.9.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

2. How numbers are calculated continued

2.1 Segment reporting continued

Statement of financial position by operating segment:

31 December 2020	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Statement of financial position					
Total assets	1,395,876	1,077,949	37,001	1,087	279,839
Total liabilities	(106,424)	(101,096)	(635)	(390)	(4,303)
Net assets/total equity	1,289,452	976,853	36,366	697	275,536

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

Statement of comprehensive income by operating segment:

For the year ended 31 December 2020	Total US$'000	Egypt US$'000	Burkina Faso US$'000	Côte d'Ivoire US$'000	Corporate US$'000
Statement of comprehensive income					
Revenue	828,737	828,737	–	–	–
Cost of sales	(449,441)	(449,441)	–	–	–
Gross profit	379,296	379,296	–	–	–
Exploration and evaluation costs	(17,391)	–	(2,803)	(14,588)	–
Other operating (costs)/income	(56,392)	(30,760)	307	(197)	(25,742)
Other income	6,972	4,820	54	35	2,063
Profit on financial assets at fair value through profit or loss	960	–	–	–	960
Finance income	1,554	77	–	–	1,477
Profit/(loss) for the year before tax	314,999	353,433	(2,442)	(14,750)	(21,242)
Tax	(50)	(50)	–	–	–
Profit/(loss) for the year after tax	314,949	353,383	(2,442)	(14,750)	(21,242)
Profit/(loss) for the year after tax attributable to:					
– the owners of the parent[(1)]	155,979	194,413	(2,442)	(14,750)	(21,242)
– non-controlling interest in SGM[(1)]	158,970	158,970	–	–	–

(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 was in place from 1 July 2018 to 30 June 2020 and 50%:50% split from 1 July 2020 onwards that occurs in practice, refer to the statement of cash flows by operating segment below for further information.

For the year ended 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	–	–	–
Exploration and evaluation costs	(16,883)	–	(2,715)	(14,168)	–
Other operating costs	(38,709)	(18,492)	(159)	(205)	(19,852)
Other income	5,856	6,105	(55)	(299)	105
Profit on financial assets at fair value through profit or loss	3,889	–	–	–	3,889
Finance income	5,817	42	–	–	5,775
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 was in place from 1 July 2018 to 30 June 2020 and 50%:50% split from the 1 July 2020 onwards 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:

For the year ended 31 December 2020	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)	453,305	517,341	343	(41)	(64,338)
Net cash (used in)/generated by investing activities	(129,848)	(138,722)	(3)	(65)	8,942
Net cash (used in)/generated by financing activities					
Own shares acquired	(3,298)	–	–	–	(3,298)
Dividend paid – non-controlling interest in SGM	(174,275)	(174,275)	–	–	–
Dividend paid – controlling interest in SGM	–	(196,725)	–	–	196,725
Dividend paid – owners of the parent	(138,725)	–	–	–	(138,725)
Net increase/(decrease) in cash and cash equivalents	7,159	7,619	340	(106)	(694)
Cash and cash equivalents at the beginning of the year	278,229	5,881	16	562	271,770
Effect of foreign exchange rate changes	5,893	(3,608)	(351)	–	9,852
Cash and cash equivalents at the end of the year	291,281	9,893	5	456	280,927

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

2. How numbers are calculated continued

2.1 Segment reporting continued

Statement of cash flows by operating segment: continued

For the year ended 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)/received – 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 year	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 year	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.

Exploration expenditure by operating segment:

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

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Burkina Faso	2,803	2,715
Côte d'Ivoire	14,588	14,168
Egypt (Sukari tenement including Cleopatra excluding pre-production gold sales adjustment)	11,717	16,478
Total exploration expenditure	29,108	33,361

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.

2.2 Revenue

An analysis of the Group's revenue for the year, from continuing operations, is as follows:

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Gold sales (Including pre-production gold sales related to Cleopatra)	827,622	657,124
Less: Pre-production gold sales related to Cleopatra – transferred to exploration and evaluation asset	–	(5,767)
Gold sales (Excluding pre-production gold sales related to Cleopatra)	827,622	651,357
Silver sales	1,115	987
	828,737	652,344

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 SGM. 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):

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Other income		
Net foreign exchange gains	6,922	5,806
Other income	50	50
	6,972	5,856
Finance income		
Interest received	1,554	5,817
Expenses		
Cost of sales		
Mine production costs (Including costs related to gold produced from Cleopatra)	(339,012)	(353,232)
Mine production costs related to gold produced from Cleopatra		
– transferred to exploration and evaluation asset	–	1,487
Mine production costs	(339,012)	(351,745)
Movement in inventory	13,704	28,254
Depreciation and amortisation	(124,133)	(115,794)
	(449,441)	(439,285)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

2. How numbers are calculated continued

2.3 Profit before tax continued

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Other operating costs		
Corporate compliance	(3,049)	(3,158)
Fees payable to the external auditors	(924)	(847)
Corporate consultants	(4,033)	(7,380)
Communications and IT	(430)	(295)
Salaries and wages	(7,262)	(5,004)
Travel, accommodation, and entertainment	(397)	(726)
Short term leases	(146)	(99)
Other administration expenses	(1,270)	(933)
Insurances	(897)	(630)
Other taxes	(7)	151
Employee equity settled share-based payments	836	(7)
Corporate costs (sub-total)	(17,579)	(18,928)
Other provisions	(10,309)	–
Net movement on provision for stock obsolescence	(958)	1,500
Inventory written off	(29)	(594)
Prepayments written off	(986)	–
Office related depreciation	(379)	(393)
Royalty – attributable to the ARE government	(24,792)	(19,701)
Bank charges	(179)	(161)
Finance charges	(558)	(569)
(Loss)/gain on disposal of asset	(623)	137
	(56,392)	(38,709)

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'.

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 2020 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

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Statement of comprehensive income		
Profit for the year after tax attributable to the non-controlling interest in SGM (1)	158,970	85,454
Statement of financial position		
Total equity attributable to non-controlling interest in SGM (1) (opening)	(1,891)	(270)
Profit for the year after tax attributable to the non-controlling interest in SGM(1)	158,970	85,454
Dividend paid – non-controlling interest in SGM	(174,275)	(87,075)
Total equity attributable to non-controlling interest in SGM (1) (closing)	(17,196)	(1,891)

(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 have been 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

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Statement of cash flows		
Dividend paid – non-controlling interest in SGM (1)	(174,275)	(87,075)

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

2. How numbers are calculated continued

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 ("PGM") has entered into a Concession Agreement ("CA") that provides that the income generated by SGM'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 CA grants certain tax exemptions, including the following:

- from 1 April 2010, being the date of commercial production, SGM is entitled to a 15-year exemption from any taxes imposed by the Egyptian government on the revenues generated from SGM. 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 SGM. 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 SGM;
- 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.

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

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Current tax		
Current tax expense in respect of the current year	(50)	(112)
Deferred tax	–	–
Total tax expense	(50)	(112)

The tax expense for the year can be reconciled to the profit per the consolidated statement of comprehensive income as follows:

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Profit for the year before tax	314,999	173,029
Tax expense calculated at 0%(1) (2019: 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	(50)	(112)
Tax	(50)	(112)

(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 (2019: 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 2020 US$'000	31 December 2019 US$'000
Current tax liabilities	267	227
Non-current tax liabilities	–	–

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

2. How numbers are calculated continued

2.6 Financial assets at fair value through profit or loss

	31 December 2020 US$'000	31 December 2019 US$'000
Balance at the beginning of the year	6,454	–
Additions at cost	–	9,364
Disposals at market value	(7,414)	(6,799)
Unrealised gain on fair value of investment – profit or loss	960	4,041
Unrealised loss on foreign exchange movement	–	(152)
	–	6,454

The financial assets at fair value through profit or loss at 31 December 2020 relates to an equity interest in a listed public company which 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.

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. 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

2. How numbers are calculated continued

2.7 Trade and other receivables

	31 December 2020 US$'000	31 December 2019 US$'000
Non-current		
Other receivables – deposits	103	93
	103	93

	31 December 2020 US$'000	31 December 2019 US$'000
Current		
Gold and silver sales debtors	12,492	34,695
Other receivables	5,932	12,366
	18,424	47,061

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 eight days (2019: 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.

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 2020 US$'000	31 December 2019 US$'000
Current		
Prepayments	8,908	4,776
Fuel prepayments	–	1,356
	8,908	6,132

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$367.2 million to 31 December 2020, of which US$4.3 million relates to and was provided for during 2020. All fuel subsidies provided by the Egyptian Government were removed in 2020.

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 DFO dispute is shown below.

Movement in fuel prepayments

	31 December 2020 US$'000	31 December 2019 US$'000
Balance at the beginning of the year	1,356	1,547
Fuel prepayment recognised	4,342	35,922
Less: Provision charged to:		
Mine production costs	(2,126)	(31,058)
Property, plant and equipment	(4,231)	(5,712)
Inventories	659	657
Balance at the end of the year	–	1,356

Cumulative fuel prepayment and provision recognised

	31 December 2020 US$'000	31 December 2019 US$'000
Fuel prepayment recognised	367,228	362,885
Less: provision charged to:		
Mine production costs	(335,231)	(333,104)
Property, plant and equipment	(31,997)	(27,766)
Inventories	–	(659)

This has resulted in a net charge of US$11 million in the profit and loss for the year.

	For the year ended 31 December 2020			For the year ended 31 December 2019		
	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	(336,886)	(2,126)	(339,012)	(320,687)	(31,058)	(351,745)
Movement in inventory	22,397	(8,693)	13,704	25,159	3,095	28,254
Depreciation and amortisation	(124,133)	–	(124,133)	(115,794)	–	(115,794)
	(438,622)	(10,819)	(449,441)	(411,322)	(27,963)	(439,285)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

2. How numbers are calculated continued

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 2020 Cost							
Balance at 1 January 2020	7,789	3,533	613,792	334,119	561,780	28,584	1,549,597
Additions	73	203	141	153	–	126,529	127,099
Additions: IFRS16 right of use assets	–	1,604	–	47	–	–	1,651
Increase in rehabilitation asset	–	–	–	–	5,574	–	5,574
Transfers from capital work in progress	930	480	3,784	25,787	78,988	(109,969)	–
Transfers from exploration and evaluation asset	–	–	–	–	16,154	–	16,154
Disposals	–	–	(110)	(1,097)	–	(590)	(1,797)
Disposals: IFRS16 right of use assets	–	(130)	(142)	–	–	–	(272)
Balance at 31 December 2020	8,792	5,690	617,465	359,009	662,496	44,554	1,698,006
Accumulated depreciation and amortisation							
Balance at 1 January 2020	(6,974)	(1,097)	(213,681)	(250,519)	(272,609)	–	(744,880)
Depreciation and amortisation	(568)	(609)	(29,303)	(49,127)	(44,905)	–	(124,512)
Disposals	–	65	131	1,074	–	–	1,270
Balance at 31 December 2020	(7,542)	(1,641)	(242,853)	(298,572)	(317,514)	–	(868,122)
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	–	59	10,069	689	68,695	79,586
Additions: IFRS16 right of use assets	–	1,229	298	95	–	–	1,622
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	–	–	(15)	(22)	–	–	(37)
Disposals: IFRS16 right of use assets	–	(68)	–	–	–	–	(68)
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)
Net book value							
As at 31 December 2020	1,250	4,049	374,612	60,437	344,982	44,554	829,884
As at 31 December 2019	815	2,436	400,111	83,600	289,171	28,584	804,717

Included within the depreciation charge is US$0.5 million within the buildings asset class and US$0.1 million related to plant and equipment in relation to depreciation of ROU assets (2019: US$0.4 million buildings and plant and equipment).

An impairment trigger assessment was performed in 2020 on the Sukari Cash Generating Unit ("CGU"), refer to note 1.3.2 above, however no impairment triggers were identified in the assessment.

Assets that have been cost recovered under the terms of the Concession Agreement ("CA") 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 CA.

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 tonne 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

2. How numbers are calculated continued

2.10 Exploration and evaluation asset

	31 December 2020 US$'000	31 December 2019 US$'000
Balance at the beginning of the year	68,138	59,154
Expenditure for the year	11,717	16,478
Pre-production gold sales net of costs related to Cleopatra	–	(4,280)
Transfer to property, plant and equipment	(16,154)	(3,214)
Balance at the end of the year	63,701	68,138

The exploration and evaluation asset relates to the drilling, geological exploration and sampling of potential ore reserves and can be attributed to Egypt (US$28.5 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 trigger assessment was performed in 2020 on the Exploration and Evaluation asset ("CGU"), refer to note 1.3.2 of above, however no impairment triggers were identified in the assessment.

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.

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 Inventories

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 1.35% over the expected life of the asset to an future expected selling price, this was assessed using two different future expected selling prices:

- US$1,891 per ounce which was the year end spot price. This resulted in headroom of US$78 million above the cost; and
- US$1,450 per ounce which was the three-year internal budgeted gold price used in the going concern and viability assessments. This resulted in headroom of US$10 million above the cost.

US$1,386 per ounce which was calculated as the breakeven selling price. The net realisable value was the higher than the cost in of all of the above scenarios and as such it is valued at cost.

	31 December 2020 US$'000	31 December 2019 US$'000
Non-current		
Mining stockpiles	64,870	52,658
	64,870	52,658

	31 December 2020 US$'000	31 December 2019 US$'000
Current		
Mining stockpiles, ore in circuit, doré supplies	40,112	38,620
Stores inventory	81,383	72,169
Provision for obsolete stores inventory	(2,790)	(1,832)
	118,705	108,957

Stores inventories written off in the year total US$0.03 million as per note 2.3 (2019: US$0.6 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2020

2. How numbers are calculated continued

2.11 Inventories continued

ACCOUNTING POLICY: INVENTORIES

Inventories include mining stockpiles, gold in circuit, doré supplies and stores and materials. All inventories 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 2020 US$'000	31 December 2019 US$'000
Non-current		
Other creditors	1,437	–

	31 December 2020 US$'000	31 December 2019 US$'000
Current		
Trade payables	31,483	27,249
Other creditors and accruals	33,005	30,162
	64,488	57,411

Trade payables principally comprise the amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 26 days (2019: 23 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 Directors consider that the carrying amount of trade payables approximate their fair value.

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 twelve 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 2020 US$'000	31 December 2019 US$'000
Current		
Employee benefits[1]	1,440	701
Provision for cost recovery items[2]	5,089	7,060
Other current provisions[3]	951	828
	7,480	8,589
Non-current		
Restoration and rehabilitation[4]	20,496	14,572
Provision for cost recovery items[2]	12,229	–
Other non-current provisions	27	3
	32,752	14,575
Movement in restoration and rehabilitation provision		
Balance at beginning of the year	14,572	13,591
Additional provision recognised	5,574	570
Interest expense – unwinding of discount	350	411
Balance at end of the year	20,496	14,572

(1) Employee benefits relate to annual, sick and long service leave entitlements and bonuses.

(2) Provision held for in-country settlement of cost recovery items relating to EMRA, The amount is based on the written offer proposed to EMRA in March 2021 to settle all outstanding matters which includes payment of US$17.6 million spread over a 5.5 year period, this was discounted to present value. The prior year provision was based on a probability weighted outcome of the matters under discussion which are being finalised as part of the proposed settlement.

(3) Provision for customs, rebates and withholding taxes.

(4) The provision for restoration and rehabilitation has all been discounted by 1.35% (2019: 2.40%) using a US$ applicable rate and inflation applied at 1.23% (2019: 1.77%). The annual review undertaken as at 31 December 2020 has resulted in a US$5.6 million increase in the provision (2019: US$0.57 million).

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 are considered to be the key assumption within the estimate which range between $\$0.33/m^2$ to $\$6.62/m^2$. A 10% change in these unit and fixed costs would have a US$1.8 million impact on the provision and corresponding asset amounts, with a minimal effect on the consolidated statement of comprehensive income. 10% is chosen as an appropriate sensitivity as this is in line with the year on year increase in nominal cost base, when excluding one-off changes in relation to increases in rehabilitation site areas.

In 2021, in line with the Life of Asset Review Centamin will commence a full review of the restoration and rehabilitation plan for Sukari which could result in a change in the provision recognised to date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2020

2. How numbers are calculated continued

2.13 Provisions continued

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 in accordance with the requirements of the Concession Agreement. 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 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 at the end of the life of mine. 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.

Discount rates to present value the future obligations are determined by reference to market risk free rates for periods which approximate the period of the associated obligation.

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 2020		31 December 2019	
	Number	US$'000	Number	US$'000
Fully paid ordinary shares				
Balance at beginning of the year	1,155,955,384	672,105	1,154,722,984	670,589
Own shares acquired during the year	–	(3,298)	–	–
Employee share option scheme – proceeds from shares issued	–	–	1,232,400	1,312
Transfer from share option reserve	–	–	–	204
Balance at end of the year	1,155,955,384	668,807	1,155,955,384	672,105

The authorised share capital is an unlimited number of no par value shares.

At 31 December 2020, the trustee of the deferred bonus share plan held 2,373,049 ordinary shares (2019: 473,049 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 2020 US$'000	31 December 2019 US$'000
Share option reserve		
Balance at beginning of the year	4,179	5,688
Share-based payments expense	3,190	2,646
Transfer to accumulated profits	(4,026)	(2,639)
Transfer to issued capital	–	(1,516)
Balance at the end of the year	3,343	4,179

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.

2.16 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 2020 US$'000	31 December 2019 US$'000
Cash and cash equivalents	291,281	278,229

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

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Profit for the year before tax	314,999	173,029
Adjusted for:		
Profit on financial assets at fair value through profit or loss	(960)	(3,889)
Depreciation/amortisation of property, plant and equipment	124,512	116,187
Inventory written off	29	594
Prepayments written off	986	–
Inventory obsolescence provision	958	(1,500)
Foreign exchange gains, net	(6,921)	(5,806)
Share-based payments (credit)/expense	(836)	7
Finance income	(1,554)	(5,817)
Loss/(gain) on disposal of property, plant and equipment	623	(137)
Changes in working capital during the year:		
Decrease/(increase) in trade and other receivables	28,637	(13,619)
(Increase) in inventories	(22,919)	(30,141)
(Increase)/decrease in prepayments	(2,785)	559
Increase in trade and other payables	7,076	18,167
Increase in provisions	11,470	1,414
Cash flows generated from operating activities	453,315	249,048

(c) Non-cash financing and investing activities

During the year there have been no non-cash financing and investing activities.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

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 SGM in Egypt, and the exploration projects in Burkina Faso and Côte d'Ivoire.

Categories of financial assets and liabilities

	31 December 2020 US$'000	31 December 2019 US$'000
Financial assets		
Cash and cash equivalents	291,281	278,229
Trade and other receivables (excluding VAT receivables)	17,593	46,320
Financial assets at fair value through profit or loss	–	6,454
	308,874	331,003
Financial liabilities		
Trade and other payables	64,488	57,411

(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.

(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 2020 US$'000	31 December 2019 US$'000	31 December 2020 US$'000	31 December 2019 US$'000	31 December 2020 US$'000	31 December 2019 US$'000
Financial assets						
Cash and cash equivalents	4,997	1,999	17,566	1,339	2,057	2,141
Financial assets at fair value through profit or loss	–	–	–	6,454	–	–
	4,997	1,999	17,566	7,793	2,057	2,141
Financial liabilities						
Trade and other payables	2,682	224	19,883	10,192	13,829	(858)
	2,682	224	19,883	10,192	13,829	(858)
Net exposure	2,315	1,775	(2,317)	(2,399)	(11,772)	2,999

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 2020 US$'000	31 December 2019 US$'000	31 December 2020 US$'000	31 December 2019 US$'000
US$/GBP increase by 10%	555	161	–	–
US$/GBP decrease by 10%	(680)	(197)	–	–
US$/AUD increase by 10%	588	(805)	–	(587)
US$/AUD decrease by 10%	(718)	984	–	717
US$/EGP increase by 10%	(655)	273	–	–
US$/EGP decrease by 10%	799	(333)	–	–

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$211,212) and West African Franc (US$460,730), and net payables in Euro (US$4,110,508) and in West African Franc (US$951,748). 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2020

3. Group financial risk and capital management continued

3.1 Group financial risk management continued

3.1.1 Financial instruments continued

(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$/oz	31 December 2020 US$/oz	Increase by 10% US$/oz
Average realised gold price	1,589	1,766	1,942

	Decrease by 10% US$'000	31 December 2020 US$'000	Increase by 10% US$'000
Profit after tax	233,588	314,949	394,147

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$/litre	31 December 2020 US$/litre	Increase by 10% US$/litre
Fuel price	0.41	0.45	0.50

	Decrease by 10% US$'000	31 December 2020 US$'000	Increase by 10% US$'000
Mine production costs	(7,416)	(339,012)	7,416

(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.

	Weighted average effective interest rate %	Less than one month US$'000	One to twelve months US$'000	Total US$'000
31 December 2020				
Financial assets				
Variable interest rate instruments	0.42%	111,147	150,009	261,156
Non-interest bearing	–	47,718	–	47,718
		158,865	150,009	308,874
Financial liabilities				
Non-interest bearing	–	66,694	–	66,694
		66,694	–	66,694
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

(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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

3. Group financial risk and capital management continued

3.1 Group financial risk management continued

3.1.1 Financial instruments continued

(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).

	2020			
	Level 1 US$'000	Level 2 US$'000	Level 3 US$'000	Total US$'000
Financial assets at fair value through profit or loss	–	–	–	–

	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

There were no financial assets or liabilities subsequently measured at fair value on Level 3 fair value measurement bases.

(i) Mineral reserve and resource statement impact on 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 SGM 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 25% with all other variables held constant.

	Decrease by 25% US$'000	31 December 2020 US$'000	Increase by 25% US$'000
Amortisation of rehabilitation asset (within mine development properties)	(1,161)	(871)	(653)
Amortisation of mine development properties (remainder)	(58,711)	(44,033)	(33,025)
Mine development properties – net book value	330,014	344,982	356,208
Property, plant and equipment – net book value	814,916	829,884	841,110

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 2020 US$'000	31 December 2019 US$'000
Ordinary shares		
Q1 interim dividend for the year ended 31 December 2020 of 6.0 US cents per share (2019: Final dividend for the year ended 31 December 2018 of 3.0 US cents per share)	69,240	34,672
Q2 Interim dividend for the year ended 31 December 2020 of 6.0 US cents per share (2019: Interim dividend for the year ended 31 December 2019 of 4.0 US cents per share)	69,485	46,357
Total dividends provided for or paid	138,725	81,029
Dividends to owners of the parent:		
Paid in cash	138,725	81,029

4. Group structure

4.1 Subsidiaries and controlled entities

The parent entity of the Group is Centamin plc, incorporated in Jersey, and the details of its subsidiaries and controlled entities are as follows:

			Ownership interest	
	Nature of activity	Country of incorporation	31 December 2020 %	31 December 2019 %
Centamin Egypt Limited	Holding company	Australia(2)	100	100
Pharaoh Gold Mines NL (holder of an Egyptian branch)	Holding company	Australia(2)	100	100
Sukari Gold Mining Company(10)	Mining Company	Egypt(5)	50	50
Centamin Group Services UK Limited	Services Company	UK(3)	100	–
Centamin West Africa Holdings Limited	Holding company	UK(4)	100	100
Sheba Exploration Limited (holder of an Ethiopia branch)	Holding company	UK(4)	100	100
Sheba Exploration Holdings Limited(1)	Exploration Company	UK(4)	100	100
Centamin Group Services Limited	Services Company	Jersey(9)	100	100
Centamin Holdings Limited	Holding company	Jersey(9)	100	100
MHA Limited	Holding company	Jersey(9)	100	100
Centamin Limited	Holding company	Bermuda(8)	100	100
Ampella Mining Limited	Holding company	Australia(2)	100	100
Ampella Mining Gold SARL	Exploration Company	Burkina Faso(6)	100	100
Ampella Mining SARL	Exploration Company	Burkina Faso(6)	100	100
Ampella Resources Burkina Faso	Exploration Company	Burkina Faso(6)	100	100
Konkera SA	Mining Company	Burkina Faso(6)	90	90
Ampella Mining Côte d'Ivoire	Exploration Company	Côte d'Ivoire(7)	100	100
Centamin Côte d'Ivoire	Exploration Company	Côte d'Ivoire(7)	100	100
Ampella Mining Exploration CDI	Exploration Company	Côte d'Ivoire(7)	100	100
Centamin Exploration CI	Exploration Company	Côte d'Ivoire(7)	100	100

(1) Previously Sheba Exploration (UK) plc.(2) Address of all Australian entities: Suite 8, 7 The Esplanade, Mount Pleasant, WA 6153.

(3) Address of Centamin Group Services UK Limited, Second Floor, 9-10 Savile Row, London, W1S 3PF.

(4) Address of all other UK entities: Hill House, 1 Little New Street, London, EC4A 3TR.

(5) Address of all Egypt entities: 361 El-Horreya Road, Sedi Gaber, Alexandria, Egypt.

(6) 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.

(7) Address of all Côte d'Ivoire entities: 20 BP 945 Abidjan 20.

(8) Address of Bermuda entity: Appleby Corporate Services (Bermuda) Ltd, Canon's Court, 22 Victoria Street, Hamilton HM EX, Bermuda.

(9) Address of all Jersey entities: 2 Mulcaster Street, St Helier, Jersey JE2 3NJ.

(10)Sukari Gold Mining Company is fully consolidated within the Group under IFRS 10 'Consolidated financial statements' as if it were a subsidiary due to it being a controlled entity, reflecting the substance and economic reality of the Concession Agreement ("CA") (see note 1.3.1, note 4.1 and note 4.2).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2020

4. Group structure continued

4.1 Subsidiaries continued

Through its wholly owned subsidiary, PGM, the Company entered into the Concession Agreement ("CA") 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 CA 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 CA. 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 CA require that PGM solely funds SGM. PGM is however entitled to recover from sales revenue recoverable costs, as defined in the CA. 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 CA are recognised as dividend paid to the non-controlling interest in SGM.

4.2 Joint arrangements

The consolidated entity has interests in the following joint arrangements:

	Percentage interest	
Name of joint operation	31 December 2020 %	31 December 2019 %
Sukari Gold Mining Company (1)	50	50
Egyptian Pharaoh Investments (2)	50	50

(1) Sukari Gold Mining Company is fully consolidated within the Group under IFRS 10 'Consolidated financial statements' as if it were a subsidiary due to it being a controlled entity, reflecting the substance and economic reality of the Concession Agreement ("CA") (see note 1.3.1, note 4.1 and note 4.2).

(2) Dormant company.

The Group has a US$1 (cash) interest in the Egyptian Pharaoh Investments 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 CA (see note 1.3.1 note 4.1 and note 4.2).

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 was notified by Chevron, its supplier of Diesel Fuel Oil, that, on the instructions of the Egyptian General Petroleum Corporation ("EGPC"), Chevron would only be able to supply Diesel Fuel Oil to the mine at Sukari at international prices rather than at local subsidised prices which had been charged prior to that date. It is understood that EGPC had been advised by 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. On 19 June 2012, legal proceedings were issued by PGM in the Administrative Court against EGPC and the Minister of Petroleum, alleging that the withdrawal of the subsidy was unlawful. In November 2012, the Group received a further demand from Chevron for the repayment of fuel subsidies received during the period from late 2009 through to January 2012, amounting to EGP403 million (approximately US$25.9 million at current exchange rates). EGPC filed a counterclaim against PGM for this amount.

In September 2016, the State Commissioner issued a report on the case, which was unfavourable to PGM, although this report is not binding on the court. In June 2020 the Administrative Court issued a judgment rejecting PGM's claim on procedural grounds, and at the same time it also rejected EGPC's counterclaim. The Court did not consider the merits of either PGM's case or the counterclaim. The Group's legal advisers remain of the view that the Group has a strong case and have advised that the judgment against PGM is based on an error of law. The Group has therefore submitted an appeal, as has EGPC. In September 2020 both appeals were referred to the State Commissioner for preparation of a legal report, which is expected later this year. If either appeal is successful, the case will be returned to the Administrative Court for consideration of the relevant claim or claim on its merits.

The Group believes that its grounds for challenging EGPC's decision 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 continued to advance funds to its fuel supplier based on the international price for fuel from 2012 until the withdrawal of the domestic subsidy for Diesel Fuel Oil in 2020. Should this court action be successfully concluded the Group will look to recover the excess funds advanced. 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$367 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 2020.

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.

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 160km² 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 160km² was not valid although it stated that there was in existence such a lease in respect of an area of 3km². Centamin, however, is in possession of the executed original lease documentation which clearly shows that the 160km² 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 immediate 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 Group believes this demonstrates the government's commitment to their investment at Sukari and the government's desire to stimulate further investment in the Egyptian mining industry.

In 2016 the Supreme Administrative Court 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 right of third parties to challenge contractual agreements between the Egyptian government and an investor and has partial retrospective effect, applying to any cases then before the courts but in which no final judgment had been given. The validity of this law, which was ratified by the Egyptian parliament in 2016, is currently under review by the Supreme Constitutional Court ("SCC"). In 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 took the view that Law no. 32 was unconstitutional. The State Commissioner's report and complementary report are advisory and non-binding on the SCC. If Law 32 is upheld, it is expected that a decision to uphold the Company's appeal would be taken in a relatively short time frame. If Law 32 is held to be invalid, it is possible that the Egyptian Government could introduce further legislative changes either to amend or replace Law 32, in which case the stay on proceedings would remain in place until the position is clear. If the Government decides against legislative action, then the stay on proceedings would be lifted and PGM's appeal would proceed to be considered on its merits.

The Group 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, it remains confident that its appeal would be successful.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

5. Unrecognised items continued

5.1 Contingent liabilities and contingent assets continued

Contingent liabilities continued

Concession Agreement court case continued

Consequently, at this stage, it is not possible to say when the appeal will conclude, although there is the potential for court 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 160km² 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 affected to the extent that the Group's operation exceeds the exploitation lease area of 3km² 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 2019: nil).

5.2 Dividends per share

The dividends paid in 2020 were US$138,724,519 and are reflected in the consolidated statement of changes in equity for the year (2019: US$81,029,238).

A final dividend in respect of the year ended 31 December 2020 of 3 US cents per share, totalling approximately US$34.7 million has been proposed by the Board of Directors and is subject to shareholder approval at the annual general meeting on 11 May 2021. These financial statements do not reflect the 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 proposed a final dividend for 2020 of 3 US cents per share. Subject to shareholder approval at the annual general meeting on 11 May 2021, the final dividend will be paid on 15 June 2021 to shareholders on record date of 21 May 2021.

As referred to in note 1.3.4, the Group Mineral Reserve and Resource statement for SGM has been published with an effective date of 31 December 2020. The changes from the previous statement published with an effective date of 30 June 2019 will have a prospective effect on the amortisation of the rehabilitation asset and mine development properties. Please refer to the Mineral Reserve and Resource statement impact on ore reserves note 3.1.1(i) where these sensitivities to the change has been disclosed.

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.

(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:

	For the year ended 31 December 2020 US$	For the year ended 31 December 2019 US$
Short-term employee benefits	7,627,053	5,906,929
Post-employment benefits	7,292	7,311
Share-based payments	1,564,277	1,919,602
	9,198,622	7,833,841

(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 year ended 31 December 2020 are as follows:

31 December 2020	Balance at 1 January 2020	Granted as remuneration ("DBSP")	Granted as remuneration ("PSP")	Net other change – share plan lapse(1)	Net other change(2)	Balance at 31 December 2020
M Horgan	–	–	590,000	–	16,405	606,405(3)
R Jerrard	1,897,000	–	390,000	(420,000)	15,000	1,882,000(3)
J Rutherford	–	–	–	–	200,000	200,000
S Eyre	–	–	–	–	–	–
M Bankes	190,000	–	–	–	–	190,000
M Cloete	15,000	–	–	–	–	15,000
C Farrow	–	–	–	–	–	–
I Fawzy	–	–	–	–	–	–
H Faul	–	–	–	–	–	–
Y El-Raghy	793,662	60,000	110,000	(72,000)	(200,000)	691,662(3)
H Bills	–	–	200,000	–	–	200,000(3)
P Cannon	–	–	–	–	–	–
J Singleton	546,000	–	200,000	–	–	746,000(3)
C Murray	–	–	200,000	–	–	200,000(3)
A Carse	385,336	80,000	80,000	–	–	545,336(3)
D Le Masurier	527,000	67,500	67,500	(107,000)	(117,700)	437,300(3)
R Nel	230,000	50,000	50,000	–	–	330,000(3)

(1) "Net other change – share plan lapse" relates to awards that have lapsed due to the full performance conditions not being met on the 2017 grant.

(2) "Net other change" relates to the on-market acquisition or disposal of fully paid ordinary shares.

(3) Balance includes unvested grants under the Company's performance share plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

6. Other information continued

6.1 Related party transactions continued

(c) Key management personnel equity holdings continued

Since 31 December 2020 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 year 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
R Jerrard	1,805,000	–	617,000	(525,000)	–	1,897,000[3]
S Eyre	–	–	–	–	–	–
M Bankes	190,000	–	–	–	–	190,000
M Cloete	–	–	–	–	15,000	15,000
C Farrow	–	–	–	–	–	–
I Fawzy	–	–	–	–	–	–
Y El-Raghy	763,662	–	114,000	(84,000)	–	793,662[3]
J Singleton	–	–	546,000	–	–	546,000[3]
A Carse	216,336	–	169,000	–	–	385,336[3]
D Le Masurier	576,000	–	127,000	(96,000)	(80,000)	527,000[3]
R Nel	120,000	–	110,000	–	–	230,000[3]

(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.

(3) Balance includes unvested grants under the Company's performance share plan.

(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 2020 are summarised below:

- salaries, superannuation contributions, bonuses, LTIs, consulting and directors' fees paid to Directors during the year ended 31 December 2020 amounted to US$3,915,877 (31 December 2019: US$3,507,050); and

(f) Transactions with the government of Egypt

Royalty costs attributable to the government of Egypt of US$24,792,435 (2019: US$19,700,850) were incurred in 2020. Profit share to EMRA of US$174,275,000 (2019: US$87,075,000) was incurred in 2020.

(g) Transactions with other related parties

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

During the financial year, the Company recognised tax payable in respect of the tax liabilities of its wholly owned subsidiaries.

Payments to/from the Company are made in accordance with terms of the tax funding arrangement.

During the financial year 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 year 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 EGP80 million (2019: 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). Thirty-four transactions have been entered into at the date of this report, eight of which in the current year, pursuant to this agreement, and the values related thereto are as follows:

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Gold purchased	29,319	35,641
Refining costs	15	19
Freight costs	30	53
	29,364	35,713

	For the year ended 31 December 2020 Oz	For the year ended 31 December 2019 Oz
Gold purchased	16,262	25,721

At 31 December 2020 the net receivable in EGP owing from the Central Bank of Egypt is approximately the equivalent of US$42,987 (2019: US$30,893 net payable owing to CBE).

(b) University grant

During 2018, 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 accounted for under donations expense in profit and loss in 2019 and in 2020 the interest earned has also been accounted for under donations expense.

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 2021 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 2018 awards

Of the 4,908,000 awards granted on 27 June 2018 under the PSP, 585,400 awards remain granted to eligible participants (31 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED

for the year ended 31 December 2020

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, 2,711,000 awards remain granted to eligible participants (14 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".

June 2020 awards

Of the 2,582,500 awards granted on 5 June 2020 under the PSP, 2,382,500 awards remain granted to eligible participants (13 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 2020 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 year:

Grant date	PSP 2020 5 June 2020
Number of instruments	1,090,000
TSR: fair value at grant date GBP[(1)(2)]	0.87
TSR: fair value at grant date US$[(1)(2)]	1.07
Adjusted free cash flow and gold production: fair value at grant date GBP[(1)(2)]	1.28
Adjusted free cash flow and gold production: fair value at grant date US$[(1)(2)]	1.58
Vesting period (years)	3
Holding period applicable to 50% of the award (years)[(2)]	2
Expected volatility (%)	49%
Expected dividend yield (%)	0%
Number of instruments	1,492,500
TSR: fair value at grant date GBP[(1)]	0.99
TSR: fair value at grant date US$[(1)]	1.22
Adjusted free cash flow and gold production: fair value at grant date GBP[(1)]	1.47
Adjusted free cash flow and gold production: fair value at grant date US$[(1)]	1.81
Vesting period (years)	3
Holding period applicable to 50% of the award (years)	0
Expected volatility (%)	49%
Expected dividend yield (%)	0%

(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.

DBSP awards granted during the year:

Grant date	DBSP 2020 5 June 2020
Number of instruments	3,679,500
Share price/fair value at grant date Tranche 1 £[1]	1.39
Share price/fair value at grant date Tranche 1 US$[1]	1.72
Share price/fair value at grant date Tranche 2 £[1]	1.27
Share price/fair value at grant date Tranche 2 US$[1]	1.57
Share price/fair value at grant date Tranche 3 £[1]	1.17
Share price/fair value at grant date Tranche 3 US$[1]	1.44
Vesting period Tranche 1 (years)[2]	1
Vesting period Tranche 2 (years)[2]	2
Vesting period Tranche 3 (years)[2]	3
Expected dividend yield Tranche 1 (%)	5.90%
Expected dividend yield Tranche 2 (%)	4.88%
Expected dividend yield Tranche 3 (%)	7.60%

(1) The fair value of the shares awarded under the DBSP were calculated by using the closing share price on grant date, converted at the closing GBP:US$ foreign exchange rate on that day. No other factors were taken into account in determining the fair value of the shares awarded under the DBSP.

(2) Variable vesting dependent on one to three years of continuous employment.

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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS CONTINUED
for the year ended 31 December 2020

6. Other information continued

6.3 Share-based payments continued

Share-based payments continued

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.

6.4 Earnings per share ("EPS") attributable to owners of the parent

	For the year ended 31 December 2020 US cents per share	For the year ended 31 December 2019 US cents per share
Basic earnings per share	13.531	7.588
Diluted earnings per share	13.453	7.535

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:

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Earnings used in the calculation of basic EPS	155,979	87,463

	For the year ended 31 December 2020 Number	For the year ended 31 December 2019 Number
Weighted average number of ordinary shares for the purpose of basic EPS	1,152,715,180	1,152,715,180

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:

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Earnings used in the calculation of diluted EPS	155,979	87,463

	For the year ended 31 December 2020 Number	For the year ended 31 December 2019 Number
Weighted average number of ordinary shares for the purpose of basic EPS	1,152,715,180	1,152,715,180
Shares deemed to be issued for no consideration in respect of employee options	6,703,214	8,011,425
Weighted average number of ordinary shares used in the calculation of diluted EPS	1,159,418,394	1,160,726,605

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:

	For the year ended 31 December 2020 US$'000	For the year ended 31 December 2019 US$'000
Fees payable to the Company's auditors and their associates for the audit of the Company's annual financial statements		
Audit fee for the current year audit (1)	564	436
Non-recurring audit fee in relation to scope changes (2)	151	86
Fees payable to the Company's auditors and their associates for other services to the Group		
Audit fee of the Company's subsidiaries	65	58
Total audit fees	780	580
Non-audit fees:		
Audit related assurance services – interim review	134	112
Risk management and advisory services	–	154
Total non-audit fees	134	266

(1) 2020 fee includes amounts in relation to the base audit fee US$437k (2019: US$420k), new applicable regulatory and auditing standards US$40k , changes in scope and timetable of the audit US$48k, corporate reporting review US$18k (2019: US$16k) and going concern assessments US$21k (2019: US$27k).

(2) Non-recurring audit fees relate to the prior year audit addressing going concern assessments US$27k, impairment assessments US$51k and changes in scope and timetable of the audit as a result of Covid-19 US$73k.

All audit fees are billed in GBP and were translated at a foreign exchange rate of US$1.37:GB£1 (2019: US$1.32:GB£1). Not included within the above amounts are auditors' expenses (recharged to the company) of US$9k (2019: US$24k).

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.

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

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 2019 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 14.3 million ounces of gold with the addition of approximately 3.7 million ounces of gold in the Inferred category. The Mineral Resources were estimated using a gold price assumption of US$2,000/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. No changes have been made for Batie West.

The 2021 Sukari mine development programme has budgeted for 150,000 metres of diamond and reverse circulation drilling, focusing on reserve replacement, near-term resource growth, long term resource definition and new life of mine target generation. In West Africa, strategic reviews for each exploration project are underway and scheduled for completion in H1 2021.

For more information on the Company's approach to orebody stewardship and exploration please refer to the Operational Review on page 48 and the Exploration Review on page 50.

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 Sukari Mineral Resource estimated at the end of December 2020 saw a one million ounces of gold reduction in Measured and Indicated resources, reflecting 18 months mining depletion, changes in gold price, pit wall slopes, reporting parameters and a drop in cut-off grade for underground.

For the purposes of the Sukari Mineral Resource update, the Company has retained the previously developed 2019 Mineral Resource model as developed by H&S Consultants Pty Ltd ("H&SC") and updated it to account for 18 months of mining depletion, between 30 June 2019 and 31 December 2020:

- H&SC depleted the 2019 open pit Multiple Indicator Kriging ("MIK") Mineral Resource estimate for Sukari as at 31 December 2020, within a whittle pit shell generated by Cube Consultants ("Cube") using a gold price of US$2,000/oz.
- The 2020 Mineral Resource estimate excludes the planned underground voids within the selected pit shell, which had previously been included in the 2019 Mineral Resource estimate.
- A cut-off grade of 0.3 g/t gold is used for reporting the open pit Mineral Resource estimate.

In respect of the Sukari underground Mineral Resource, Cube completed the estimation for Sukari underground as at 31 December 2020.

- An updated model has been developed by Cube utilising geological information with an effective cut-off date of 31 August 2020.
- The estimation methodology employed in preparing the updated Mineral Resource is consistent with the 2019 estimate except for using the reporting cut-off grade of 1.0g/t contained gold (2.0g/t cut-off grade was used in the 2019 Sukari underground Mineral Resource estimation).
- The Sukari underground Mineral Resources are defined below the US$2,000/oz open pit shell and combined with the open pit Mineral Resources to provide a Sukari Gold Mine Mineral 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.

		2020			2019		
	Category	Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)	Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)
SUKARI GOLD MINE	Measured (M)	223	1.04	7.45	248	1.05	8.21
	Indicated (I)	65	0.88	1.85	74	0.88	2.11
	M+I	288	1.00	9.31	321	1.01	10.3
	Inferred	14	1.9	0.9	12	1.5	0.6
DOROPO PROJECT	Measured	5.2	1.52	0.26	5.2	1.52	0.26
	Indicated	56.1	1.21	2.18	56.1	1.21	2.18
	M+I	61.3	1.22	2.44	61.3	1.22	2.44
	Inferred	30.1	1.1	1.0	30.1	1.1	1.0

	Category	2020 Tonnage (Mt)	2020 Grade (g/t)	2020 Gold Content (Moz)	2019 Tonnage (Mt)	2019 Grade (g/t)	2019 Gold Content (Moz)
ABC PROSPECT	Measured	–	–	–	–	–	–
	Indicated	20	1.03	0.65	20	1.03	0.65
	M+I	20	1.03	0.65	20	1.03	0.65
	Inferred	16	0.9	0.5	16	0.9	0.5
BATIE WEST PROJECT	Measured	–	–	–	–	–	–
	Indicated	34	1.70	1.92	34	1.70	1.92
	M+I	34	1.70	1.92	34	1.70	1.92
	Inferred	25	1.7	1.3	25	1.7	1.3
GROUP MINERAL RESOURCES	M+I	404	1.10	14.3	435	1.09	15.3
	Inferred	85	1.35	3.7	81	1.3	3.4

Resource Notes

- Sukari Open Pit
  - 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
  - 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 open-pit MRE at a 0.3 g/t Au cut-off grade extends over a strike length of 2.5 kilometres, a width of 500 m and from current surface to a depth of ~900 m
  - The open-pit MRE used all available surface drilling, channel and chip samples as at 18 July 2019, and longer underground production holes were also included. The open-pit resource data set comprised 389,856 two-metre drill hole composites and surface rock chip samples
  - H&SC has checked the drilling completed between July 2019 and December 2020 and considers that this data is unlikely to have a significant impact globally, although some local differences are expected
  - The MRE was adjusted to the mining surface and underground mining voids as at the 31st of December 2020

- Sukari Underground
  - All underground Mineral Resources are estimated using Ordinary Kriging using Surpac software
  - Measured Resources lie in areas where drilling is available at least 20 x 20 metre spacing and the interpreted mineralisation defined by underground mine development. Indicated resources occur in areas drilled at approximately 20 x 20 metre spacing and Inferred Resources exist in areas of broader spaced drilling of approximately 50 x 50 metre spacing
  - The underground Mineral Resource estimate at a 1.0 g/t Au cut-off grade extends over a strike length of 2.5 kilometres, a width of ~500 m and from current surface to a depth of 1,200 m
  - All available surface drilling, channel and underground samples were used as at 31st August 2020. The resource data set used directly in the Mineral Resource Estimate comprised a total of 68,202one metre down hole drilling composites and 53,970 one metre down hole channel sample composites
  - The Mineral Resource Estimates were adjusted to the mining surface and underground mining voids as at end of December 2020

- Doropo Project
  - The estimation method is Multiple Indicator Kriging (MIK) using GS3 software
  - 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 of 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
  - The estimation method is Multiple Indicator Kriging (MIK) using GS3 software
  - 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 of 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 sets include RC and Diamond drill data with gold estimates based on 50-gram Fire Assay analysis completed at Bureau Veritas Mineral Laboratories, Abidjan
- Batie West Project
  - 2014 Konkera Mineral Resource estimate 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 Mineral Resource estimate is reported using a gold cut-off grade of 0.5 g/t
  - All available data was used as at 1 February 2014

MINERAL RESOURCE AND RESERVE STATEMENTS CONTINUED

MINERAL RESERVE ESTIMATE

(Sukari Gold Mine only)

Included in the Mineral Resources, the Mineral Reserves at 31 December 2020 were 5.0 million ounces of gold. The decrease from 2019 is attributable to mining depletion more than Mineral Reserve additions, Mineral Resource changes, changes in the open pit design and stope sterilisation. The gold price assumption of US$1,450 per ounce was used for estimating Mineral Reserves. Based on the expected throughput rates, the remaining Mineral Reserve life of Sukari open pit operation and stockpiles is approximately 12 years and approximately 4 years for the underground, as of 31 December 2020.

		2020			2019		
	Category	Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)	Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)
OPEN PIT	Proven	96.6	1.2	3.7	134.6	1.2	5.1
	Probable	20.6	1.0	0.7	29.0	1.0	0.9
	P & P	117.2	1.2	4.4	163.6	1.1	6.0
UNDERGROUND	Proven	1.1	3.5	0.1	0.8	5.1	0.1
	Probable	3.2	2.9	0.3	3.2	4.6	0.5
	P & P	4.3	3.0	0.4	4.0	4.7	0.6
STOCKPILES	Proven	15.8	0.5	0.2	20.9	0.5	0.3
	Probable						
	P & P	15.8	0.5	0.2	20.9	0.5	0.3
SUKARI MINERAL RESERVE	P & P	137.2	1.1	5.0	188.4	1.1	7.0

Reserve Notes

- Open pit and stockpiles cut-off grade for reporting of 0.4g/t
- Open pit Mineral Reserve estimate includes 7.5Mt at 0.4g/t for 0.1Moz gold, using a 0.2g/t cut-off, for the dump leach
- Underground cut-off grade for reporting of 0.4g/t gold for development with stopes defined within a 1.6g/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 Mineral Resource estimates, was prepared by and under the supervision of Howard Bills and Craig Barker, the 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 – OP 18 July 2019
- Sukari Gold Mine – UG 31 December 2020
- 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 estimating the Mineral Resource estimates at different Group properties, depending on the stage of project, maturity, and ore type.

COMPANY LEGAL FORM

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.

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.

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 their appointment unless they are 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 2020 and those held by trustees pursuant to the Company's DBSP.

	As at 31 December 2020
Issued capital (including shares issued and held under the DBSP	1,155,955,384
Total shares in issue under the DBSP	2,373,049

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, no ordinary shares of no par value were issued in 2020 as no shares vested during the year.

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 2.14 and 2.15 to the financial statements.

The Company was authorised by shareholders at the 2020 AGM 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 2020. This standard authority is renewable annually and the Directors will seek to renew this authority at the 2021 AGM. This current authority will expire on 30 June 2021.

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
VanEck Inc.	115,327,845	9.98
BlackRock Inc.	97,543,974	8.43
Dimensional Fund Advisors	57,651,099	4.99
Schroders	58,108,557	5.03
The Vanguard Group, Inc	47,651,060	4.12
BrightSphere Investment Group	40,495,133	3.50

Note to table:

Information as at 31 December 2020 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

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 and proposed in 2020. Only the second interim dividend and final dividend are attributable to the 2020 financial year's performance, ending 31 December 2020.

2020 first interim dividend

An interim dividend of 6 US cents per share on Centamin plc ordinary shares (totalling approximately US$69.2 million) was declared on 21 April 2020 to replace the 2019 final dividend.

2020 second interim dividend

An interim dividend of 6 US cents per share on Centamin plc ordinary shares (totalling approximately US$69.5 million) was declared on 4 August 2020. The interim dividend for the half year period ending 30 June 2020 was paid on 11 September 2020 to shareholders on the register on the record date of 14 August 2020.

2020 final dividend

A final dividend of 3 US cents per share on Centamin plc ordinary shares (totalling approximately US$34.7 million) was proposed by the Directors on 22 March 2021. The final dividend for the financial year ended 31 December 2020 will be paid on 15 June 2021 to shareholders on the register on the record date of 21 May 2021. The dividend is subject to AGM approval on 11 May 2021, following which the dividend will be final. The ex-dividend date is 20 May 2021 for LSE and TSX listed shareholders.

COMPANY LEGAL FORM CONTINUED

SUMMARY TABLE OF DIVIDENDS DECLARED BY CENTAMIN PLC

		2020	2019	2018
Interim	Declared on:	4 August 2020	31 July 2019	2 August 2018
	Amount:	6.0 US cents per share	4.0 US cents per share	2.5 US cents per share
	Paid on:	11 September 2020	27 September 2019	28 September 2018
	Total	Approximately US$69.5 million	Approximately US$46.2 million	Approximately US$28.9 million
Final	Proposed on:	22 March 2021	14 January 2020 (replaced)	25 February 2019
	Declared on:	Due 11 May 2021	Final dividend replaced by interim dividend in 2020. 21 April 2020	8 April 2019
	Amount:	3 US cents per share	6 US cents per share	3 US cents per share
	Paid on:	Due 15 June 2021	15 May 2020	13 May 2019
	Total:	Approximately US$34.7 million	Approximately US$69.2 million	Approximately US$34.6 million

COMPANY LEGAL FORM AND STRUCTURE

Company details

Centamin plc (LSE: CEY, TSX: CEE)
ISIN: JE00B5TT1872
LEI: 213800PDI9G7OUKLPV84
Company number: 109180

SHAREHOLDER COMMUNICATION

ANNUAL GENERAL MEETING

The 2021 Annual General Meeting ("2021 AGM") will be held at 11.00 AM BST on Tuesday, 11 May 2021 at 2 Mulcaster Street, St. Helier, Jersey, JE2 3NJ.

The Centamin Board of Directors will be assessing UK and Jersey Government public health guidance on COVID-19 to determine whether physical attendance at the 2021 AGM is possible for shareholders. If it becomes necessary to change the arrangements for the AGM, information will be found on the Company website www.centamin.com and via a regulatory announcement. Shareholders will be offered the opportunity to listen to the formal business of the AGM through an audio link.

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 2021 AGM

The 2020 Annual Report and accounts and Notice of AGM are due to be mailed to shareholders on 31 March 2021. Details will also be available on the Company's website, www.centamin.com.

The Chairman, CEO, CFO, Senior Independent Non-Executive Director, as well as our Head of Corporate Communications, 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. Due to COVID-19, many of the face-to-face meetings were not possible and for continuity, major shareholders utilised virtual meetings and other ways of communicating. 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.

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.

INDICATIVE FINANCIAL CALENDAR

Event	Date
Annual general meeting	11 May 2021
Q1 2021 operating results	22 April 2021
Q2 2021 operating results	22 July 2021
Interim results	5 August 2021
Q3 2021 operating results	27 October 2021
Q4 2021 operating results	19 January 2022

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GLOSSARY

2018 Code	the 2018 UK Corporate Governance Code published by the Financial Reporting Council
2020 AGM	the annual general meeting of the Company held in 2020
AISC	all-in sustaining costs
ARC	the Audit and Risk Committee of the Company
ARE	Arab Republic of Egypt
assay	qualitative analysis of ore to determine its components
Au	chemical symbol for the element gold
CA	Concession Agreement. The Eastern Desert Concession Agreement dated 29 January 1995 between PGM, EGSMA (now EMRA) and ARE relating to the exploration and exploitation of gold and associated minerals in the predetermined localities in the Eastern Desert of Egypt
CBE	Central Bank of Egypt
CGU	Cash Generating Unit
Code of Conduct	Company's Code of Conduct Group Policy
Company	Centamin plc, number 109180 is a mineral exploration, development and mining company dual listed on the London Stock Exchange (LSE: CEY) and the Toronto Stock Exchange (TSX: CEE)
Company Law	Company (Jersey) Law 1991 (as amended)
COVID-19	COVID-19 is the disease caused by a new coronavirus called SARS-CoV-2 which was declared a global pandemic on the 11 March 2020 by the World Health Organisation
DBSP	deferred bonus share plan
Directors or Board	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
EMRA	Egyptian Mineral Resource Authority
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
FRC	Financial Reporting Council
GISTM	Global Industry Standard Tailings Management
Gold Doré	an alloy that is produced after the first stage of the purification process, containing approximately 90% gold as well as metals such as silver or copper. It must be refined in order to achieve the levels of purity required to be traded on gold markets
grade	relative quantity or the percentage of ore mineral or metal content in an orebody
g/t	gram per metric tonne
Group	The Company and/or Centamin and its subsidiaries and subsidiary undertakings as the context requires, and SGM, which, for accounting purposes is wholly consolidated within the Group, reflecting the substance and economic reality of the Concession Agreement

GLOSSARY CONTINUED

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
LOA	Life of Asset Review
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
Mineral Reserve	that part of a Mineral Resource which has been demonstrated to be economically exploitable
Mineral Resource	a concentration or occurrence of natural, solid, inorganic or fossilized organic material in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a mineral resource are known, estimated or interpreted from specific geological evidence and knowledge.
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 of the Company
OHS	Occupational Health and Safety
open pit	large scale hard rock surface mine or mine workings for ores open to the surface, a pit; like a quarry for stone
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 as described in the financial statements
Probable Reserves	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 of the Company
RGMP	Responsible Gold Mining Principles
Risk Framework	Group's risk management framework
ROM	Run of Mine
SASB	Sustainability Accounting Standards Board
Section 172	Directors duties as set out in Section 172 of Companies Act 2006
SGM	Sukari Gold Mining Company
SHW	Safety, Health and Wellbeing: An active workplace health and safety culture ensuring and promoting our employee's physical and mental wellbeing
Sus	the Sustainability Committee of the Company
TCFD	Task Force on Climate-related Financial Disclosures
Tech	the Technical Committee of the Company
TSF1	existing tailings storage facility
TSF2	second tailings storage facility completed 2020
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.

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.

In addition, there are a number of factors that could cause actual results, performance, achievements or developments to differ materially from those expressed or implied by such forward-looking statements; the risks and uncertainties associated with the ongoing impacts of COVID-19 or other pandemic, general business, economic, competitive, political and social uncertainties; the results of exploration activities and feasibility studies; assumptions in economic evaluations which prove to be inaccurate; currency fluctuations; changes in project parameters; future prices of gold and other metals; possible variations of ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; climatic conditions; political instability; decisions and regulatory changes enacted by governmental authorities; delays in obtaining approvals or financing or completing development or construction activities; and discovery of archaeological ruins. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information or statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19.

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 report 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.

LEI: 213800PDI9G7OUKLPV84
Company No: 109180

CENTAMIN

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