

Centamin plc

("Centamin", "Group" or "the Company")
LSE: CEY / TSX: CEE

QUARTERLY REPORT

for the three months ended 30 September 2023 ("Q3")

MARTIN HORGAN, CEO, commented: *"We maintain our commitment to safety and are pleased to announce zero lost time injuries in the quarter. Operationally, the decision to complete the plant maintenance demonstrates our commitment to the long-term stewardship of Sukari and due to our operational flexibility 2023 production guidance is maintained."*

Today's results reflect another period of disciplined cost management, putting us on target for the lower half of our 2023 cost guidance range. Our financial strength and the savings made against our 2023 budget have also given us the flexibility to accelerate some key 2024 capital expenditures into 2023 without impacting guidance."

HIGHLIGHTS

Strong cost performance

- **Zero lost time injuries:** There were no lost time injuries Q3 resulting in a lost time injury frequency ("LTIFR") of zero. The total recordable injury frequency rate ("TRIFR") was 3.83 per one million hours worked
- **Gold production of 101,370 ounces** - as published on 12 October 2023 - bringing the total gold production for the nine months of the year ("YTD") from the Sukari Gold Mine ("Sukari") to 321,931 oz and is on track for the lower end of the 2023 guidance range
- **Revenue of US\$200.4 million** (YTD: US\$626m), generated from gold sales of 103,807 oz (YTD:323koz) at an average realised gold price of US\$1,927/oz sold (YTD: US\$1,933/oz)
- **Cash costs of US\$882/oz produced** (YTD: US\$859/oz) targeting the lower half of the 2023 guidance range
- **All-in sustaining costs ("AISC") of US\$1,266/oz sold** (YTD: US\$1,240/oz) targeting the lower half of the 2023 guidance range
- **Capital expenditure ("capex") of US\$59.1 million** (YTD US\$166m) reflecting capital cost savings from lower fuel costs and optimisation of the open pit fleet maintenance strategy in line with the new Sukari life of mine plan
- **Sukari 30MW_{AC} solar plant has been operating at nameplate levels for twelve months** as of September, successfully displacing 22 million litres of diesel fuel with renewable power to reduce greenhouse gas ("GHG") emissions by approximately 59,000 tonnes of CO₂-e
- **Delivered the Sukari new life of mine plan** on 12 October 2023 demonstrating the potential for increased long-term gold production, lower operational costs, reduced operational risk and significantly reduced carbon emissions (link to RNS [here](#))
- **New Egyptian mining regulatory framework agreed in principle** establishing a clear, competitive exploitation structure for the development of new mining concessions. This framework will apply to commercial discoveries made on Centamin's highly prospective 3,000km² Eastern Desert Exploration blocks ("EDX") (link to RNS [here](#))
- **Strong and flexible balance sheet** with available cash and liquid assets of US\$126 million (at 30 September 2023) after the distribution of US\$23 million to shareholders as an interim dividend, and total liquidity of US\$276 million including the undrawn US\$150 million sustainability linked revolving credit facility

2023 OUTLOOK

Annual guidance on track

- Gold production guidance range of 450,000 to 480,000 oz per annum and targeting the lower end
- Cash cost guidance range of US\$840-990/oz produced and AISC guidance range of US\$1,250-1,400/oz sold, now targeting the lower half
- Capex guidance is maintained at US\$273 million with further detail below
- Exploration spend is results-driven. 2023 exploration expenditure budget is US\$30 million, including US\$23 million for the pre-development study work on the Doropo Gold Project

KEY DELIVERABLES

- Group Mineral Resource and Reserve update (Q4 2023)

- Group Exploration Update (Q4 2023)
- Doropo Gold Project definitive feasibility study (mid-2024)

WEBCAST AND CONFERENCE CALL

The Company will host a webcast and conference call today, Thursday, 19 October 2023 at 08.30 BST to discuss the results, followed by an opportunity to ask questions.

Webcast link: <https://www.investis-live.com/centamin/6515595de7d60c12002cfe2b/fgsw>

Dial-in telephone numbers:

| | |
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| Participation access code: | 686280 |

PRINT-FRIENDLY VERSION of the announcement: www.centamin.com/media/companynews.

RESULTS SUMMARY

| | Q3 2023 | Q3 2022 | % Δ | Q2 2023 | % Δ | YTD |
|--------------------------------|---------|---------|-------|---------|-------|---------|
| SAFETY | | | | | | |
| LTIFR (1m hours) | 0.00 | 0.00 | 0% | 0.00 | 0% | 0.10 |
| TRIFR (1m hours) | 3.83 | 1.69 | 127% | 3.40 | 13% | 3.43 |
| OPEN PIT | | | | | | |
| Total material mined (kt) | 31,655 | 35,647 | (11%) | 32,303 | (2%) | 96,956 |
| Ore mined (kt) | 4,501 | 2,814 | 60% | 3,609 | 25% | 11,383 |
| Ore grade mined (g/t Au) | 0.74 | 1.04 | (28%) | 0.90 | (17%) | 0.83 |
| UNDERGROUND | | | | | | |
| Ore mined (kt) | 245 | 210 | 16% | 222 | 10% | 703 |
| Ore grade mined (g/t Au) | 4.61 | 6.2 | (26%) | 4.40 | 5% | 4.35 |
| PROCESSING | | | | | | |
| Ore processed (kt) | 2,786 | 3,230 | (14%) | 3,076 | (9%) | 8,868 |
| Feed grade (g/t Au) | 1.25 | 1.37 | (9%) | 1.26 | (1%) | 1.24 |
| Gold recovery (%) | 88.5 | 87.9 | 1% | 88.3 | 0% | 88.5 |
| Gold production (oz) | 101,370 | 127,512 | (21%) | 114,687 | (12%) | 321,931 |
| COST & SALES | | | | | | |
| Gold sold (oz) | 103,807 | 126,610 | (18%) | 111,693 | (7%) | 323,160 |
| Cash cost (US\$'000) | 89,399 | 103,447 | (14%) | 87,995 | 2% | 276,555 |
| Cash costs (US\$/oz produced) | 882 | 811 | 9% | 767 | 15% | 859 |
| AISC (US\$'000) | 131,395 | 163,156 | (19%) | 124,299 | 6% | 400,855 |
| AISC (US\$/oz sold) | 1,266 | 1,289 | (2%) | 1,113 | 14% | 1,240 |
| Realised gold price (US\$/oz) | 1,927 | 1,720 | 12% | 1,969 | (2%) | 1,933 |
| FINANCIALS | | | | | | |
| Revenue (US\$'000) | 200,404 | 218,115 | (8%) | 220,386 | (9%) | 626,016 |
| EBITDA (US\$'000) | 99,005 | 100,630 | (2%) | 114,683 | (14%) | 292,420 |
| Profit before-tax (US\$'000) | 56,497 | 60,656 | (7%) | 70,434 | (20%) | 171,301 |
| Capital expenditure (US\$'000) | 59,089 | 74,892 | (21%) | 54,419 | 9% | 166,144 |
| Free cash flow (US\$'000) | 12,422 | 10,666 | 16% | 14,027 | (11%) | 34,903 |

HEALTH AND SAFETY

We remain focussed on the protection of our workforce and the local communities where we operate. Our safety performance continues to be strong; while noting that our ultimate ambition is to create a zero-harm workplace. We had no lost time injuries in Q3 2023 across the Group. Notwithstanding, there has been an increase in low consequence, minor injuries. Proactive measures have been taken to understand these injuries, identify trends, and implement mitigations.

In Q3, the Group LTIFR was zero for Q3 and 0.10 per one million hours worked year to date ("YTD") and the Company is on track to meet the annual LTIFR target of 0.34. The Group TRIFR was 3.83 per one million hours worked, bringing YTD to 3.43, which is tracking ahead of the annual TRIFR target of 2.78.



SUKARI GOLD MINE, EGYPT
(Q3 2023 vs Q3 2022)

Production

Sukari gold production for Q3 totalled 101,370 oz (YTD: 321,931), a 21% decrease YoY. As announced on 12 October 2023, a potential issue was identified on SAG mill 1 (“SAG1”) following routine mill relining and the decision was taken to undertake pre-emptive repairs. However, the build-up of high-grade material on the ROM pad and increased operational flexibility in the mine plan means that 2023 annual production guidance remains on track at the lower end of guidance.

Open Pit Mining

Total material moved (waste and ore) of 31.7Mt, a 11% decrease YoY, driven by lower waste mined and a focus on Sukari hill which increased ore tonnes mined.

Total open pit waste material mined for the quarter was 27.2Mt, at 17% decrease YoY. This includes 9.4Mt of contracted waste-stripping as part of the accelerated waste-stripping programme, with a similar performance expected in Q4. The strip ratio for the quarter was 6:1 (waste:ore).

During Q3, open pit ore was mined from multiple working areas, with contributions from Stage 5 North, East, West and Stage 7. Total open pit ore mined for the quarter was 4.5Mt, a 60% increase YoY, at an average mined grade of 0.74 grams of gold per tonne (“g/t Au”), a 28% decrease YoY. This was driven by a greater conversion of waste to ore from Stage 7 of the open pit, which resulted in more than scheduled low grade ore mined and less waste mined. Grades are expected to improve moderately throughout the year averaging approximately 0.8g/t for 2023.

During the quarter, the low-grade stockpiles increased by 363kt to 17.8Mt at an average grade of 0.45g/t Au.

Underground Mining

Total material mined (waste and ore) was 359kt, a 34% increase YoY, reflecting the ramp up in mining rates following the transition to owner-mining in H1 2022. Total ore mined was 245kt at an average combined (stopping and development) grade of 4.61g/t Au. This represented a 16% increase in ore tonnes YoY and a -26% increase in grade YoY.

The underground ore was made up of 161kt of ore mined from stopes, at an average grade of 5.31g/t Au, and 83kt of ore mined from development, at an average grade of 3.24g/t Au.

Processing

The plant processed 2.8Mt of ore, a 14% decrease YoY, at an average feed grade of 1.25 g/t Au, a 9% decrease YoY due to the pre-emptive repairs. The work was successfully completed and SAG1 has been fully operational since 1 October 2023.

The metallurgical gold recovery rate was 88.5% for the quarter, a 1% increase YoY.

Sukari Mining Concession (“SMC”) Exploration

Brownfield exploration across the 160km² Sukari Concession amounted to US\$3.7 million in the quarter. This is capitalised and captured within the 2023 capex guidance.

Work focused on the development of additional Mineral Resources within the SMC that can be converted to Mineral Reserves and incorporated into the mine plan. In Q3, a total of 10,864 metres were drilled across a number of targets, including at V Shear East, Wadi Alam, Quartz Ridge and ARC prospects.

CAPITAL EXPENDITURE

Key capital projects progressed well during Q3, with activities focussed around underground development, tailings storage facility 2, equipment rebuilds and the contracted waste-stripping programme.

The total capex in Q3 was US\$59.1 million and after removing the impact of the waste mining accounting treatment, adjusted capex was US\$56.5 million.

| | Q3 2023 (US\$m) | YTD (US\$m) |
|--|--------------------|----------------|
| Underground exploration | 2.6 | 8.0 |
| Underground mine development | 9.6 | 25.6 |
| Rebuilds, underground transition and other sustaining capex | 12.3 | 31.3 |
| Sustaining element of waste stripping capitalised ¹ | 2.6 | 12.6 |

¹ Reclassified from operating expenditure, from 2021, the Company implemented a more granular methodology to the accounting and classification of waste-stripping costs, in line with IFRS accounting standards. As such, there is an accounting reclassification of open pit waste mining costs, resulting in a reduction in total cash costs with a corresponding equal increase in the sustaining expenditure and therefore AISC, with no impact on net cash flow.

| | | |
|--|-------------|--------------|
| SUSTAINING CAPEX | 27.1 | 77.4 |
| Underground paste-fill plant, North dump leach & tailings storage facility | 8.8 | 19.5 |
| Contract waste stripping capitalised | 19.1 | 63.4 |
| Other non-sustaining capex | 4.1 | 5.8 |
| NON-SUSTAINING CAPEX | 32.0 | 88.7 |
| TOTAL CAPEX | 59.1 | 166.1 |
| Less: | | |
| Sustaining element of waste stripping capitalised ¹ | (2.6) | (12.6) |
| ADJUSTED CAPEX (after reclassification) | 56.5 | 153.5 |

The 2023 capital expenditure guidance remains unchanged at US\$273 million. This includes a lower deferred sustaining stripping cost of US\$25 million, predominantly driven by a conversion of waste to ore which has reduced the strip ratio and reclassified some sustaining capex to operating expenditure.

However, forecasted annual capital cost savings of US\$24 million, partially offset by ongoing outperformance on the contracted waste-stripping programme, has meant that the Company can accelerate certain key capital projects, previously scheduled for 2024, into 2023 without the need to revise guidance:

Forecasted 2023 capital savings of approximately US\$24 million, primarily from:

- Lower overall open pit mining costs resulting from fuel savings
- Optimised open pit fleet management strategy, as per the new Sukari life of mine plan

Partially offset by:

- 2023 contracted waste-stripping outperformance is expected to result in 21% more tonnes moved than scheduled, but due to lower fuel prices, only result in a 6% additional capital cost

Accelerated capital spend into 2023:

- US\$12.5 million towards the Sukari grid power connection, and
- US\$6.6 million spend towards new open pit 785C truck purchases

SALES AND COSTS

Gold sales for the quarter were 103,807 oz, a 18% decrease YoY. The average realised gold price for the quarter was US\$1,927/oz, up 12% YoY. Revenues generated of US\$200.4 million, 8% lower YoY, driven by lower production volumes and subsequent gold sales.

Cash costs of production were US\$89.4 million for the quarter, a 14% improvement YoY, due to lower input costs such as fuel and consumables. Unit cash costs of production were US\$882/oz produced, a 9% increase YoY due to lower production volumes.

Total all-in sustaining costs (“AISC”) were US\$131.4 million for the quarter, a 19% improvement YoY, reflecting lower sustaining capital expenditure. Unit AISC of US\$1,266/oz sold, a 2% improvement YoY.

EXPLORATION PROJECTS

The total greenfield exploration spend for the quarter was US\$5.5 million (YTD: US\$24.5m).

Doropo Project, Côte d’Ivoire

During Q3, fieldwork continued at Doropo, including infill drilling within the main resource cluster and testing regional deposits outside the existing project resource. Total spend in the quarter amounted to US\$3.7 million (YTD: US\$19.6m):

- 997 metres of core infill and twin hole drilling at the Vako, Sanbayoro and Attire prospects
- 24,938 metres of reverse circulation pulp samples were analysed using an X-ray fluorescence (“XRF”) machine

The DFS and ESIA work continued and is expected to be completed by June 2024.

Eastern Desert Exploration (“EDX”), Egypt

During Q3, the focus was on advancing our maiden drill programme on the Nugrus block, adjacent to the Sukari mining concession. The initial 10,000 metre drill programme was increased to 15,000 metres with the identification of additional drill targets:

- 10,910 metres of exploration drilling was completed in Q3
- Drilling focussed on eight targets which were identified through an comprehensive fieldwork programme
- The programme is scheduled for completion in October and assay results are expected to be received in Q4 2023

Regional fieldwork work continued across all three concession blocks, including soil and rock chip sampling on the Nugrus block, planning of the Najd block BLEG sampling programme is underway, and at the Um Rus we prepared to undertake soil surveys during Q4.

FINANCIAL POSITION

Free Cash Flow

Under the terms of the Sukari Concession Agreement, the Egyptian government earned US\$6 million (YTD: US\$18.7m) in royalty payments and received US\$23.0 million (YTD: US\$69.0m) in profit share payments during the quarter. After Sukari profit share distribution, Group exploration expenditure and corporate investing activities, the free cash flow for the quarter was US\$12.4 million (YTD: US\$34.9m).

Balance Sheet

Centamin is in a strong financial position, with cash and liquid assets to US\$125.7 million as at 30 September 2023. The Company has a US\$150 million senior secured sustainability-linked revolving credit facility ("RCF") which is available and undrawn.

Liquidity

| | 30 September 2023 (US\$m) |
|---|-------------------------------------|
| Cash on hand | 78.5 |
| Bullion on hand | 22.9 |
| Gold sales receivable | 13.6 |
| Financial assets at fair value through profit or loss* | 10.6 |
| TOTAL CASH & LIQUID ASSETS | 125.7 |
| Sustainability-linked revolving credit facility (undrawn) | 150.0 |
| TOTAL LIQUIDITY | 275.7 |

*The financial assets at fair value through profit or loss relate to the open gold put options purchased by the Company in FY2022 as part of the gold price protection programme

ABOUT CENTAMIN

Centamin is an established gold producer, with a premium listing on the London Stock Exchange and a secondary listing on the Toronto Stock Exchange. The Company's flagship asset is the Sukari Gold Mine ("Sukari"), Egypt's largest and first modern gold mine, as well as one of the world's largest producing mines. Since production began in 2009 Sukari has produced over 5 million ounces of gold, and today has 6.0Moz in gold Mineral Reserves. Through its large portfolio of exploration assets in Egypt and Côte d'Ivoire, Centamin is advancing an active pipeline of future growth prospects, including the Doropo project in Côte d'Ivoire, and has over 3,000km² of highly prospective exploration ground in Egypt's Nubian Shield.

Centamin recognises its responsibility to deliver operational and financial performance and create lasting mutual benefit for all stakeholders through good corporate citizenship, including but not limited to in 2022, achieving new safety records; commissioning of the largest hybrid solar farm for a gold mine; sustaining a +95% Egyptian workforce; and, a +60% Egyptian supply chain at Sukari.

FOR MORE INFORMATION please visit the website www.centamin.com or contact:

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ENDNOTES

Guidance

The Company actively monitors the global geopolitical uncertainties and macroeconomics, such as global inflation, and guidance may be impacted if the supply chain, workforce or operations are disrupted.

Non-GAAP measures

This statement includes certain financial performance measures which are not GAAP measures as defined under International Financial Reporting Standards (IFRS). These include EBITDA and adjusted EBITDA, Cash costs of production, AISC, Cash and liquid assets, Free cash flow and adjusted Free cash flow. Management believes these measures provide valuable additional information for users of the financial statements to understand the underlying trading performance.



Royalties

Royalties are accrued and paid six months in arrears.

Cash and liquid assets

Cash and liquid assets include cash, bullion on hand and gold sales receivables.

Liquidity

Liquidity is defined as the sum of cash and cash equivalents and available Company credit.

Gold produced

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

FORWARD-LOOKING STATEMENTS

This announcement (including information incorporated by reference) contains "forward-looking statements" and "forward-looking information" under applicable securities laws (collectively, "forward-looking statements"), including statements with respect to future financial or operating performance. Such statements include "future-oriented financial information" or "financial outlook" with respect to prospective financial performance, financial position, EBITDA, cash flows and other financial metrics that are based on assumptions about future economic conditions and courses of action. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "expects", "expected", "budgeted", "forecasts" and "anticipates" and include production outlook, operating schedules, production profiles, expansion and expansion plans, efficiency gains, production and cost guidance, capital expenditure outlook, exploration spend and other mine plans. Although Centamin believes that the expectations reflected in such forward-looking statements are reasonable, Centamin can give no assurance that such expectations will prove to be correct. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Centamin about future events and are therefore subject to known and unknown risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. 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 direct or indirect 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. Financial outlook and future-ordinated financial information contained in this news release is based on assumptions about future events, including economic conditions and proposed courses of action, based on management's assessment of the relevant information currently available. Readers are cautioned that any such financial outlook or future-ordinated financial information contained or referenced herein may not be appropriate and should not be used for purposes other than those for which it is disclosed herein. The Company and its management believe that the prospective financial information has been prepared on a reasonable basis, reflecting management's best estimates and judgments at the date hereof, and represent, to the best of management's knowledge and opinion, the Company's expected course of action. However, because this information is highly subjective, it should not be relied on as necessarily indicative of future results. 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, the risks and uncertainties associated with the direct and indirect impacts of COVID-19. Forward-looking statements contained herein are made as of the date of this announcement and the Company disclaims any obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Accordingly, readers should not place undue reliance on forward-looking statements.

LEI: 213800PDI9G7OUKLPV84

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