CENTAMIN PLC

(Incorporated and registered in Jersey with registered number 109180)

MANAGEMENT DISCUSSION, ANALYSIS and BUSINESS REVIEW

31 DECEMBER 2015

MANAGEMENT DISCUSSION, ANALYSIS AND BUSINESS REVIEW

The following Management's Discussion and Analysis of the Financial Condition and Results of Operations ("MD&A") for Centamin plc (the "Company" or "Centamin") should be read in conjunction with the Directors' Report and the audited consolidated financial statements for the year ended 31 December 2015 and related notes thereto, which statements were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted for use by the European Union, the Companies (Jersey) Law 1991, and IFRS as issued by the IASB, therefore the audited consolidated financial statements comply with Article 4 of the EU IAS Regulation. For more information see 'Basis of preparation' in Note 3 to the audited consolidated financial statements for the year ended 31 December 2015. The effective date of this report is 21 March 2016.

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

For further information relating to the Company, including information about mineral resources and reserves, reference should be made to its public filings (including its most recently filed AIF) which are available on SEDAR at www.sedar.com. Information is also available on the Company's website at www.centamin.com. All amounts in this MD&A are expressed in United States dollars unless otherwise identified.

Overview

Centamin plc ("Centamin" or "the Company") is a mineral exploration, development and mining company dual listed on the London and Toronto Stock Exchanges. Centamin's principal asset, the Sukari Gold Mine, which is located in the Eastern Desert approximately 900km from Cairo and 25km from the Red Sea. The Sukari Gold Mine began production in 2009 and is the first large scale modern gold mine in Egypt, with an estimated 20 year mine life and production which is rapidly increasing to an annualised rate of 450,000-500,000 ounces.

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

Centamin's management team and Board of Directors have considerable expertise in the gold mining industry. This ranges from the early stage identification of deposits, project financing, construction and development, to the operating of large mines. Some of the leadership team has been involved with Sukari for almost a decade, taking it from an early stage exploration project to the operating gold mine it is today.

Accounting for Sukari Gold Mines

On adopting IFRS 10 on 1 January 2013, the Group assessed its interest in its principal asset, Sukari Gold Mine ("SGM") which is jointly owned by the Group's wholly owned subsidiary Pharaoh Gold Mines NL ("PGM") and EMRA on a 50% equal basis. The Group has considered the relevant activities of SGM and who has the power over these activities and is exposed to variable returns from its involvement with SGM and has the ability to affect those returns through its power over the relevant activities of SGM. Accordingly, the Group has consolidated this interest.

For accounting purposes, SGM is wholly consolidated within the Centamin group of companies reflecting the substance and economic reality of the Concession Agreement and will therefore recognise a non-controlling interest ("NCI") for EMRA's participation. Furthermore based on the requirements of the Concession Agreement, payments to NCI meet the definition of a liability and will be recorded in the income statement and statement of financial position (below profit after tax), as the EMRA profit share, on the date that a net production surplus becomes available. Payment made to EMRA pursuant to the provisions of the Concession Agreement is based on the net production surplus available as at 30 June, being SGM's financial year end. Pursuant to the Concession Agreement, PGM solely funds SGM's activities. PGM is also entitled to recover the following costs and expenses payable from sales revenue (excluding the royalty payable to the Arab Republic of Egypt ("ARE") (a) all current operating expenses incurred and paid after the initial commercial production; (b) exploration costs, including those accumulated to the commencement of commercial production (at the rate of 33.3% of total accumulated cost per annum); and (c) exploitation capital costs, including those accumulated prior to the commencement of commercial production (at the rate of 33.3% of total accumulated cost per annum).

Since the commencement of commercial production on 1 April 2010, the cash flows generated by SGM through the sale of gold have been used to fund the on-going operating expenses incurred by SGM in its own right and to fund the cost recovery due to PGM for exploration and exploitation capital costs at a rate of 33.3% of total accumulated cost per annum.

In return, on-going capital expenditure incurred in connection with the Sukari mine is funded solely by PGM out of cash flows received from SGM through the cost recovery process as described above. The expenditure incurred by PGM in relation to Stage 4 is recoverable at the rate of 33.3% of total accumulated cost per annum.

EMRA is entitled to a share of 50% (except for, in accordance with the terms of the Concession Agreement, in the first four years where it shall be 40% for the first two years and 45% for the following two years) of SGM's net production surplus ("EMRA Profit Share") (defined as revenue less payment of the fixed royalty to Arab Republic of Egypt ("ARE") and recoverable costs). Based on the Company's calculation there was no net profit share due to EMRA as at 31 December 2015, nor is any likely to be due as at 30 June 2016. Accordingly, no EMRA entitlement has been recognised to date. Any payment made to EMRA pursuant to these provisions of the Concession Agreement will be recognised as a variable charge in the income statement (below profit after tax) of Centamin, which will lead to a reduction in the earnings per share.

Separate accounts are prepared in respect of SGM. These are independently audited and certified by Egyptian certified accountants approved by EMRA. Payment made to EMRA pursuant to the provisions of the Concession Agreement is based on the net production surplus available as at 30 June, being SGM's financial year end.

Centamin elected to make advance payments against future profit share since 2013 and the value of the payments amounts to US$28.75 million. The advance payments were made in order to demonstrate goodwill towards the Egyptian government. These payments will be netted off against any future Profit Share that becomes payable to EMRA. A further US$5.0 million was paid as an advance during 2015.

Highlights for the year (1) (2) (3)

Centamin delivered solid operational results in 2015, producing 439,072 ounces of gold (2014: 377,261 ounces). However, 2015 was a year where Centamin was impacted by the weaker gold price environment and higher costs as a result of an increase in activity year on year with tonnes moved increasing by 29% and tonnes treated by 26%. This resulted in a 16% increase in mine production costs to US$416.2 million, resulting in a profit after tax for the year of US$51.6 million (2014: US$81.6 million). Centamin has continued to return strong earnings and cash flow generation despite the weaker gold price environment, owing to the Group's emphasis on maintaining cost control. Now in its seventh year of production, the Sukari Gold Mine remains highly cash generative, with EBITDA of US$152.2 million (2014: US$165.4 million). Centamin has a healthy cash and cash equivalents balance of US$199.6 million (2014: US$125.7 million) as at 31 December 2015.

The Company continues to achieve positive results through its core strategic focus on creating value for all stakeholders. Value in the mining industry is achieved through a continual drive for productivity and efficiency at operating mines, whilst undertaking a growth strategy that is focussed on enhancing returns over the long-term.

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

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

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

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

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

Developments in the two litigation actions, Diesel Fuel Oil and Concession Agreement, are described in further detail in Note 20 to the financial statements. In respect of the latter, the Company continues to believe that it has a strong legal position and, in addition, that it will ultimately benefit from law no 32 of 2014, which came into force in April 2014 and which restricts the capacity for third parties to challenge any contractual agreement between the Egyptian government and an investor. This law, whilst in force and ratified by the new parliament, is currently under review by the Supreme Constitutional Court of Egypt. After a series of delays and adjournments, the Concession Agreement appeal has now been set down for judgment on 24 May 2016. If the judgment is a final judgment, the Company expects it will be in its favour. However, the Company has been advised that the Egyptian legal system allows for the possibility of an interim judgment staying the appeal until the Supreme Constitutional Court has ruled on the validity of law no 32.

The strong performance of our core asset, together with the Company's robust financial position, allowed the board of directors to approve an interim 2015 payment of 0.97 US cents per share (versus a 2014 interim payment of 0.87 US cents per share). The Company is pleased to announce, subject to shareholder approval at the annual general meeting on 11 May 2016, a final dividend for 2015 of 1.97 US cents per share. This represents a full year pay-out of approximately US$33.7 million, equating to approximately 30% of our free cash flow, as defined by our dividend policy.

Centamin remains in a strong position to continue delivering on its track record of production growth and solid cash flow generation during 2016 and beyond, as shown by the following:

- Basic earnings per share 4.51 cents, down 37% on prior year;
- EBITDA US$152.2 million, down 8% on the prior year;
- Full year production was 439,072 ounces, a 16% increase on 2014;
- Cash costs of production of US$713 against US$729 per ounce in 2014;
- Centamin remains debt-free and unhedged with cash, bullion on hand, gold sales receivable and available-for-sale financial assets of US$ 230.7 million (2014: US$162.8 million) as at 31 December 2015; and
- The Supreme Administrative Court appeal and Diesel Fuel Court Case are both ongoing. Centamin is aware of the potential for the legal process in Egypt to be lengthy and it anticipates a number of hearings and adjournments in both cases before a decision is reached. Operations continue as normal and any enforcement of the Administrative Court decision has been suspended pending the appeal ruling.

With respect to the DFO case, the Company recognises the practical difficulties associated with reclaiming funds from the government and, for this reason, has fully provided against the cumulative prepayment of US$208.2 million as an exceptional item (refer to Note 6 to the financial statements). In the meantime the Group is continuing to pay international prices for DFO.

(1) Cash cost of production, EBITDA and cash, bullion on hand and available-for-sale financial assets are non-GAAP measures. For further information and a detailed reconciliation, please see "Non-GAAP Financial Measures" section below.
(2) Basic EPS, EBITDA, Cash costs of production reported includes an exceptional provision against prepayments to reflect the removal of fuel subsidies which occurred in January 2012 (refer to Note 6 to the financial statements for further details). The provision had no further impact on the 2012 results other than previously reported.
(3) The report contains certain forward-looking statements and attention is drawn to the cautionary statement that appears at the front of this document.

Operational review

Production

Sukari Gold Mine production summary	**Year ended 31-Dec 2015**	**Q4 2015**	**Q3 2015**	**Q2 2015**	**Q1 2015**	**Year ended 31-Dec 2014**	**Q4 2014**
Open pit mining							
Ore mined[1] ('000t)	**8,746**	2,229	2,204	1,751	2,562	10,936	4,123
Ore grade mined (g/t Au)	**0.75**	0.77	0.74	0.76	0.78	0.8	1
Ore grade milled (g/t Au)	**0.78**	0.75	0.69	0.75	0.95	0.97	1.31
Total material mined ('000t)	**57,766**	13,754	14,344	13,671	15,996	44,820	13,804
Strip ratio (waste/ore)	**5.60**	5.17	5.51	6.81	5.24	3.1	2.4
Underground mining							
Ore mined from development ('000t)	**560**	151	154	127	129	464	115
Ore mined from stoping ('000t)	**598**	149	158	155	135	504	169
Ore grade mined (g/t Au)	**6.47**	7.05	6.45	6.3	6.01	6.1	5.43
Ore processed ('000t)	**10,575**	2,758	2,673	2,667	2,478	8,428	2,597
Head grade (g/t)	**1.4**	1.47	1.35	1.32	1.48	1.56	1.71
Gold recovery (%)	**88.8**	88.5	88.2	90.3	88.3	87.8	87
Gold produced - dump leach oz)	**15,642**	3,417	2,697	4,715	4,814	15,564	2,564
Gold produced - total[2] (oz)	**439,072**	117,644	105,413	107,781	108,233	377,261	128,115
Cash cost of production[3](US$/oz)	**713**	667	767	706	717	729	655
Open pit mining	**243**	232	272	224	247	241	228
Underground mining	**46**	42	49	48	47	59	48

Processing	**367**	338	384	381	369	375	334
G&A	**56**	54	62	53	54	54	45
Gold sold (oz)	**437,571**	117,351	104,803	104,168	111,249	375,300	125,416
AISC(3) (US$/oz)	**885**	842	943	871	879	906	815
Average realised sales price (US$/oz)	**1,159**	1,103	1,131	1,188	1,216	1,257	1,203

(1) Ore mined includes 54kt @ 0.54g/t delivered to the dump leach in Q4 2015 (21kt @ 0.46g/t in Q3 2015, 48kt @ 0.51g/t in Q2 2015, 217kt @ 0.52g/t in Q1 2015, 221@ 0.46g/t in Q4 2014) Gold produced is gold poured and does not include gold-in-circuit at period end. Cash operating costs exclude royalties, exploration and corporate administration expenditure.

(2) Gold produced is gold poured and does not include gold-in-circuit at period end. Cash costs exclude royalties, exploration and corporate administration expenditure. Cash cost and AISC is a non-GAAP financial performance measures with no standard meaning under GAAP. For further information and a detailed reconciliation, please see "Non-GAAP Financial Measures" section below.

(3) Cash costs of production and AISC reflect an exceptional provision against prepayments to reflect the removal of fuel subsidies which occurred in January 2012 (refer to Notes 3 and 6 respectively to the financial statements for further details).

Centamin produced 439,072 ounces of gold in 2015, a 16% increase on 377,261 ounces in 2014. The higher year-on-year production was a result of: (a) a 25% increase in tonnes milled (to 10.6 Mt) mainly due to the improved plant productivity, and (b) a 20% increase in production from the underground due to increased development and mining rates.

Health and safety

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

Against this positive result, however, an incident occurred within the open pit operation during the fourth quarter, when a contractor's employee was involved in a rock collapse whilst relocating a grade control drill rig. The operator, and sole occupant of the drill rig, was fatally injured in the incident. The loss was deeply saddening and overshadowed the strong operational performance at Sukari during the year.

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

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

Open pit

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

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

Underground mine

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

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

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

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

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

Processing

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

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

The dump leach operation produced 15,642oz in 2015, a 1.5% increase on 2014.

Capital Expenditure

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

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

(1) Includes underground exploration drilling

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

Resources and Reserves - Sukari

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

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

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

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

Exploration update

Sukari

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

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

Burkina Faso

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

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

Côte d'Ivoire

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

Ethiopia

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

Selected annual financial information

The following table, which is reflective of an exceptional provision against prepayments recorded in Q4 to reflect the removal of fuel subsidies which occurred in January 2012 (refer to Note 6 to the financial statements), provides a guide to a summary of the financial results of the Group's operation for the years ended 31 December 2014, 2013 and 2012:

Summary of financial performance

		2015	2014(1)	2013(1)	2015 vs 2014	2015 vs 2014	2014 vs 2013	2014 vs 2013
Revenue	US$'000	**508,396**	472,581	503,825	35,815	8%	(31,244)	(6%)
Profit before tax	US$'000	**58,407**	81,562	183,969	(23,155)	(28%)	(102,407)	(56%)
Basic EPS (cps)(4)	Cents	**4.51**	7.21	16.87	(2.70)	(37%)	(9.66)	(57%)
Diluted EPS (cps)(4)	Cents	**4.44**	7.11	16.77	(2.67)	(37%)	(9.66)	(58%)
EBITDA(5)	US$'000	**152,189**	165,474	234,167	(13,285)	(8%)	(68,693)	(29%)
Total assets	US$'000	**1,411,853**	1,370,737	1,298,727	41,116	3%	72,010	6%
Non-current liabilities	US$'000	**7,139**	3,015	7,638	4,124	137%	(4,623)	(60%)
Cash dividend declared	Cents	**0.97**	0.87	—	0.10	11%	0.87	100%

(1) Results reflect an exceptional provision against prepayments to reflect the removal of fuel subsidies which occurred in January 2012, refer to Note 6 to the financial statements for further details.
(2) Results reflect an exceptional provision against prepayments recorded in Q4 2012 to reflect the removal of fuel subsidies which occurred in January 2012, refer to Note 6 to the financial statements for further details. The provision had no impact on the 2011 results.
(3) The Group changed its accounting policy on production-phase stripping costs with effect from 1 January 2012. As a result, the 2011 results have been restated. Refer to Note 3 of the 2012 financial statements for further details.
(4) Calculated using weighted average number of shares outstanding under the basic method.
(5) EBITDA is a non-GAAP financial performance measure with no standard meaning under IFRS. For further information and a detailed reconciliation, see "Non-GAAP Financial Measures" section below.

Results of operations

The Group recorded profit before tax for the year ended 31 December 2015 of US$58.4 million (2014: US$81.6 million). The decrease is mainly due to lower gross operating margins as a result of the reduced gold price and also an increased production cost associated with net changes in production inventories

Consolidated statement of comprehensive income

		31 December 2015			31 December 2014		
	Notes	**Before exceptional items US$'000**	**Exceptional items US$'000**	**Total US$'000**	Before exceptional items US$'000	Exceptional items US$'000	Total US$'000
Revenue	5	**508,396**	**-**	**508,396**	472,581	-	472,581
Cost of sales	6	**(369,503)**	**(46,739)**	**(416,242)**	(295,763)	(62,534)	(358,297)
Gross profit		**138,893**	**(46,739)**	**92,154**	176,818	(62,534)	114,284
Other operating costs	6	**(27,722)**	**-**	**(27,722)**	(30,368)	-	(30,368)
Impairment of available‐for-sale financial assets	14	**-**	**-**	**-**	(436)	-	(436)
Impairment of exploration and evaluation assets	13	**(6,294)**	**-**	**(6,294)**	(2,328)	-	(2,328)
Finance income	6	**269**	**-**	**269**	410	-	410
Profit before tax		**105,146**	**(46,739)**	**58,407**	144,096	(62,534)	81,562
Tax	7	**(6,837)**	**-**	**(6,837)**	-	-	-
Profit after tax		**98,309**	**(46,739)**	**51,570**	144,096	(62,534)	81,562
EMRA profit share	3	-	-	-	-	-	-
Profit for the year after EMRA profit share		**98,309**	**(46,739)**	**51,570**	144,096	(62,534)	81,562
Profit for the year attributable to:							
– the owners of the parent		**98,309**	**(46,739)**	**51,570**	144,096	(62,534)	81,562
Other comprehensive income							
Items that may be reclassified subsequently to profit or loss:							
Losses on available-for‐sale financial assets (net of tax)	14	**(212)**	**-**	**(212)**	(80)	-	(80)
Other comprehensive income for the year		**(212)**	**-**	**(212)**	(80)	-	(80)
Total comprehensive income attributable to:							
– the owners of the parent		**98,097**	**(46,739)**	**51,358**	144,016	(62,534)	81,482
Earnings per share:							
Basic (cents per share)	24	**8.590**	**(4.084)**	**4.506**	12.735	(5.527)	7.208
Diluted (cents per share)	24	**8.467**	**(4.025)**	**4.441**	12.567	(5.454)	7.113

(1) Results reflect an exceptional provision against prepayments recorded to reflect the removal of fuel subsidies which occurred in January 2012, refer to Note 6 to the financial statements for further details.

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

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

(a) an increase in activity year on year with overall mined tonnes increasing by 29% and processed tonnes increasing by 26% resulting in a 14% increase in total mine production costs to from US$275.9 million to US$314.8 million;
(b) a 12% increase in depreciation and amortisation from US$84.2 million to US$93.9 million, a result of the higher rates of depreciation associated with the Stage 4 plant expansion; and
(c) a US$7.5 million adjustment for movement in production inventories as a result of an overall decrease in mining stockpiles and gold in circuit levels offset by an increase in finished goods inventory.

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

(a) a US$5.0 million decrease in net foreign exchange movements from a US$2.9 million loss to a US$2.1 million gain; offset by
(b) a US$1.0 million increase in royalty paid to the government of the ARE in line with the increase in gold sales revenue; and
(c) a US$1.3 million increase in corporate costs.

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

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

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

Selected information from the consolidated statement of financial position and key financial ratios

	31-Dec 2015 US$'000	31-Dec 2014 US$'000	US$'000	Change %
Total current assets	**359,499**	**293,379**	66,120	23%
Total non-current assets	**1,052,354**	**1,077,358**	(25,006)	(2)%
Total assets	**1,411,853**	**1,370,737**	41,116	3%
Total current liabilities	**51,382**	**34,349**	(17,033)	(50)%
Total non-current liabilities	**7,139**	**3,015**	(4,124)	(137)%
Total liabilities	**58,521**	**37,364**	(21,157)	(57)%
Net assets and total shareholders' equity	**1,353,332**	**1,333,373**	19,959	1%
Key financial ratios:				
Current ratio (1)	**7.00**	**8.54**		
Return on equity (2)	**4%**	**6%**		

(1) Represents current assets divided by current liabilities.

(2) Represents profit for the year attributable to the shareholders of the Company divided by total shareholders' equity.

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

(a) an increase in net cash inflows of US$74.0 million net of foreign exchange movements; offset by
(b) a US$1.2 million decrease in gold sale receivables;
(c) a US$1.6 million increase in stores inventory to US$106.4 million;
(d) a US$0.5 million decrease in prepayments;
(e) a US$0.2 million increase in other available for sale financial assets; and
(f) a US$7.5 million decrease in mining stockpiles and gold in circuit levels, offset by an increase in finished goods inventory, to US$28.3 million at period end.

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

(a) a US$93.9 million charge for depreciation and amortisation; offset by
(b) a US$36.5 million cost for net capitalised work-in-progress (comprising of plant and mining equipment and rehabilitation asset);
(c) a US$28.1 million increase in exploration and evaluation assets to US$152.1 million, as a result of the drilling programmes in Sukari Hill, the Sukari tenement area, Burkina Faso and Côte d'Ivoire. This increase is inclusive of a US$6.3 million write off of expenditure in relation to the Ethiopian operations; and
(d) a US$5.0 million increase in prepayments to EMRA in relation to advance payments against future profit share.

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

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

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

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

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

(a) a US$51.6 million increase in the profit for the year attributable to the shareholders of the Company; offset by
(b) a US$33.8 million dividend payment to shareholders; comprising a US$22.7 million final dividend payment for 2014 and a US$11.1 million interim dividend payment for 2015, and
(c) a US$0.2 million loss on available-for-sale financial assets in relation to the Company's shareholding in KEFI Minerals plc.

Current ratio is calculated by dividing the current assets by the current liabilities. The decrease in the current ratio is a result of the increase in current liabilities due to an increased year on year production profile marginally exceeding the proportional increase in cash reserves.

The return on equity ratio is calculated by dividing the profit for the year attributable to the shareholders of the Company for the period by total shareholders' equity and measures the return on ownership. The return on equity ratio showed a decrease from 6% for 2014 to 4% for 2015 as a result of the decrease in the profit for the year together with the increase in shareholders' equity.

Off-balance sheet arrangements

The Company had no off-balance sheet arrangements as of the date of this report.

Outstanding share information

As at 21 March 2016, the Company had 1,152,107,984 fully paid ordinary shares issued and outstanding.

	Number
Shares in issue [1]	1,152,107,984

(1) Includes Deferred Bonus Share Plan. Refer to Note 27 for further information.

Selected information from the consolidated statement of cash flows

	Year ended 31 December			
	2015	2014		Change
	US$'000	US$'000	US$'000	%
Net cash flows generated by operating activities	**185,542**	116,402	69,140	59%
Net cash flows used in investing activities	**(70,657)**	(78,751)	8,094	(10)%
Net cash flows generated used in financing activities	**(38,787)**	(16,468)	(22,319)	136%
Net movement in cash and cash equivalents	**76,098**	21,183	54,915	259%
Cash and cash equivalents at the beginning of the financial period	**125,659**	105,979	19,680	19%
Effects of exchange rate changes	**(2,141)**	(1,503)	(638)	(42)%
Cash and cash equivalents at the end of the financial period	**199,616**	125,659	73,957	59%

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

(a) an increase in revenue, due to higher gold sales offset by a lower average realised price;
(b) an increase in mine production costs as a result of increased gold production; and
(c) a decrease in cash outflows flows in relation to receivables and payables.

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

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

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

Quarterly information

		Q4 2015	Q3 2015	Q2 2015	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
Revenue	US$ million	**130.2**	118.5	124.2	135.5	151.1	116.1	102.6	102.7
Profit/(loss) after tax (1)	US$ million	**(2.1)**	6.3	18.8	28.6	33.8	15.8	11.3	20.6
Basic EPS (cps) (1)	Cents	**(0.19)**	0.55	1.65	2.50	2.96	1.39	0.99	1.87
Diluted EPS (cps) (1)	Cents	**(0.21)**	0.54	1.63	2.48	2.90	1.37	0.98	1.86

(1) Profit after tax and basic and diluted EPS includes an exceptional provision against prepayments recorded in Q4 to reflect the removal of fuel subsidies which occurred in January 2012 (refer to Note 6 to the financial statements for further details).

The Company's results over the past several quarters have been driven primarily by fluctuations in gold price and increases in gold equivalent ounces produced. Additionally, increases in input costs and foreign exchange rates have impacted results.

During the fourth quarter of 2015, revenue was US$130.2 million on gold equivalent ounces sold of 117,351 compared with revenue of US$151.1 million on sales of 125,416 gold equivalent ounces during the fourth quarter of 2014. The average realised gold price per ounce in the fourth quarter of 2014 was US$1,203 compared with the average realised gold price during this quarter of US$1,103 per ounce.

Cost of sales increased by 8% to US$112.1 million in the final quarter of 2015 versus US$103.7 million in the final quarter of 2014, primarily as a result of increased activity quarter on quarter with tonnes treated up by 6%.

Liquidity and capital resources

At 31 December 2015, the Group had cash and cash equivalents of US$199.6 million compared to US$125.7 million at 31 December 2014. The majority of funds have been invested in international rolling short-term higher interest money market deposits. The increase in cash position is primarily due to the completion of the Stage 4 expansion resulting in an increase in the cash inflows offset with unfavourable gold prices and the inclusion of an exceptional provision against prepayments to reflect the removal of fuel subsidies offset with increased production.

Centamin has a strong and flexible financial position with no debt, no hedging and cash and cash equivalents, bullion on hand, gold sales receivables and available-for-sale financial assets of US$230.7 million at 31 December 2015. Cash and cash equivalents, bullion on hand, gold sales receivables and available-for-sale financial assets is a non-GAAP financial measure.

Liquidity risk is the risk associated with not having access to sufficient funds to meet planned and unplanned cash requirements. Centamin manages its exposure to liquidity risk by ensuring that its operating and strategic liquidity levels are well above minimum company requirements.

Trade and other payables increased from US$34.0 million to US$44.0 million reflecting the increase in activity. In the day-to-day business, the Group receives cash from its operations and is required to fund working capital and capital expenditure requirements. The cash is managed to ensure surplus funds are invested to maximise returns while ensuring that capital is safeguarded to the maximum extent possible by investing only with financial institutions with a strong credit rating.

The Group's primary source of liquidity is operating cash flow. The principal risk factor affecting operating cash flow is cost, gold prices, timing of gold sales and the legal actions in relation to the Concession Agreement and subsidy for diesel fuel oil.

The Group's financial commitments are limited to planned and discretionary spending on work programmes at the Sukari Gold Mine, planned and discretionary spending on work programmes at the exploration licences owned by Sheba, administration expenditure at the Egyptian, Australian, Jersey, Burkina Faso and Côte d'Ivoire office locations and for general working capital purposes.

Management considers that the Group has adequate current assets and forecast cash flow from operations to manage liquidity risks arising from settlement of current liabilities and non-current liabilities.

The Group had no debt for both the 2015 and the 2014 period.

The following is a summary of the Group's outstanding commitments as at 31 December 2015:

Payments due

Operating lease commitments are limited to office premises in Jersey.

	31 December 2015 US$'000	31 December 2014 US$'000
Office premises		
No longer than one year	**68**	63
Longer than one year and not longer than five years	**119**	195
	187	258

Segment disclosure

The Group is engaged in the business of exploration and production of precious metals only, which is characterised as one business segment only. See Note 8 to the financial statements.

Significant accounting policies, estimates and judgments

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

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

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

Impairment of assets (other than exploration and evaluation and financial assets)

IFRS requires management to test for impairment if events or changes in circumstances indicate that the carrying amount of a finite lived asset may not be recoverable. Management have concluded that there is no indication that an impairment exists, nor have any indicators arisen after the reporting period and are therefore not required to perform a full impairment review under IAS 36.

In making its assessment as to the possibility of whether impairments losses having arisen, Management considered the following indications:

- internal sources of information;
- external sources of information;
- litigation;
- the key assumptions applied in the 31 December 2015 impairment review;
- forecast gold prices;
- discount rate;
- production volumes;
- reserves and resources report; and
- costs and recovery rates.

Litigation

The Group exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation, as well as other contingent liabilities (see Note 20 to the financial statements). Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement.

The Group is currently a party to two legal actions both of which could affect its ability to operate the mine at Sukari in the manner in which it is currently operated and adversely affect its profitability. The details of this litigation, which relate to the loss of the Egyptian national subsidy for diesel fuel oil and the ability of the Group to operate outside the area of 3km^2 determined by the Administrative Court of first instance to be the area of the Sukari exploitation lease, are given in Note 20 to the financial statements and in the most recently filed Annual Information Form ("AIF") which is available on SEDAR at www.sedar.com. Although it is possible to quantify the effects of the loss the national fuel subsidy, it is not currently possible to quantify with sufficient precision the effect of restricting operations to an area of 3km^2.

Every action is being taken to contest these decisions, including the making of formal legal appeals and, although their resolution may still take some time, management remain confident that a satisfactory outcome will ultimately be achieved. In the meantime, however, the Group is continuing to pay international prices for diesel fuel oil. With respect to the Administrative Court ruling, on 20 March 2013 the Supreme Administrative Court upheld the Company's application to suspend this decision until the merits of the Company's appeal are considered and ruled on, thus providing assurance that normal operations would be able to continue during this process.

In the unlikely event that the Group is unsuccessful in either or both of its legal actions, and that the operating activities are restricted to a reduced area, it is management's belief that the Group will be able to continue as going concern.

Recovery of capitalised exploration evaluation and development expenditure

The Group's accounting policy for exploration and evaluation expenditure results in exploration and evaluation expenditure being capitalised for those projects where such expenditure is considered likely to be recoverable through future extraction activity or sale or where the exploration activities have not reached a stage which permits a reasonable assessment of the existence of reserves.

This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether the Group will proceed with development based on existence of reserves or whether an economically viable extraction operation can be established. Such estimates and assumptions may change from period to period as new information becomes available. If, subsequent to the exploration and evaluation expenditure being capitalised, a judgment is made that recovery of the expenditure is unlikely or the project is to be abandoned, the relevant capitalised amount will be written off to the income statement.

As described in Note 13 to the financial statements, in February 2015, the Company gave formal notice to Alecto Minerals plc ("Alecto") terminating the joint venture agreement entered into between the Company and Alecto in September 2013 with regards to the development of Alecto's licences in Ethiopia.

Centamin's rights in the Wayu Boda and Aysid Metekel licences have reverted back to Alecto, such that Alecto will hold 100% of the licences and will assume responsibility for the ongoing commitments in respect of the licences on termination of the joint venture and have thus written off all expenditure incurred to date including the acquisition costs in relation to those licences, amounting to US$2.7 million of which US$2.3 million was written off in 2014.

Exploration activities were ceased in Ethiopia in late 2015 with closure of all remaining projects and subsequent wind up of the Sheba Exploration entities is in progress. The decision was taken after a review of the potential of the Una Deriem prospect after completing the testing the eastern soil anomaly, which runs parallel to the main soil anomaly and mineralised zone. The cessation of activity in Ethiopia resulted in impairment of E&E assets of US$5.9 million in 2015.

Accounting treatment of Sukari Gold Mines ("SGM")

SGM is consolidated within the Centamin Group of companies, reflecting the substance and economic reality of the Concession Agreement (see Note 21 to the financial statements).

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

Provision for restoration and rehabilitation costs

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

Ore reserve estimates

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

Production forecasts from the underground mine at Sukari are partly based on estimates regarding future resource and reserve growth. It should be specifically noted that the potential quantity and grade from the Sukari underground mine is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Depreciation of capitalised underground mine development costs

Depreciation of capitalised underground mine development costs at the Sukari mine is based on reserve estimates. Management and directors believe that these estimates are both realistic and conservative, based on current information.

Accounting policies

Basis of preparation

These financial statements are denominated in United States dollars, which is the presentational currency of Centamin plc. All companies in the Group use the United States dollar as their functional currency except for the UK subsidiaries which are denominated in Great British pounds and the Australian subsidiaries which are denominated in Australian dollars. All financial information presented in United States dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted for use by the European Union and interpretations issued from time to time by the IFRS Interpretations Committee ("IFRS IC") both as adopted by the European Union (EU) and which are mandatory for EU reporting as at 31 December 2015, the Companies (Jersey) Law 1991, and IFRS as issued by the IASB and interpretations issued from time to time by the IFRS IC which are mandatory as at 31 December 2015., therefore the Group financial statements comply with Article 4 of the EU IAS Regulation. The Group has not early adopted any other amendments, standards or interpretations that have been issued but are not yet mandatory.

The consolidated financial statements have been prepared on a going concern basis and under the historical cost convention, as modified by available-for-sale financial assets, and financial assets and financial liabilities (including derivative) instruments at fair value through profit and loss.

The Group's financial statements have been prepared on the basis of accounting policies consistent with those applied in the financial statements for the year ended 31 December 2014 except for the implementation of a number of minor amendments issued by the IASB and endorsed by the EU which applied for the first time in 2015. These new pronouncements do not have a significant impact on the accounting policies, methods of computation or presentation applied by the Group and therefore prior-period financial statements have not been restated for these pronouncements.

Principles of consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being the Company (the parent entity) and its subsidiaries. Subsidiaries are all entities (including structured entities) over which the group has control, as defined in IFRS 10 'Consolidated financial statements'. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements.

The consolidated financial statements include the information and results of each subsidiary from the date on which the Company obtains control and until such time as the Company ceases to control such entity. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

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

Sukari Gold Mines ("SGM") is jointly owned by PGM and EMRA on a 50% equal basis. For accounting purposes, SGM is wholly consolidated within the Centamin group of companies reflecting the substance and economic reality of the Concession Agreement (see Note 21) and will therefore recognise a non-controlling interest ("NCI") for EMRA's participation. Furthermore based on the requirements of the Concession Agreement, payments to NCI meet the definition of a liability and will be recorded in the income statement and statement of financial position (below profit after tax), as the EMRA profit share, on the date that a net production surplus becomes available. Payment made to EMRA pursuant to the provisions of the Concession Agreement is based on the net production surplus available as at 30 June, being SGM's financial year end. Pursuant to the Concession Agreement, PGM solely funds SGM's activities. PGM is also entitled to recover the following costs and expenses payable from sales revenue (excluding the royalty payable to the Arab Republic of Egypt ("ARE") (a) all current operating expenses incurred and paid after the initial commercial production; (b) exploration costs, including those accumulated to the commencement of commercial production (at the rate of 33.3% of total accumulated cost per annum); and (c) exploitation capital costs, including those accumulated prior to the commencement of commercial production (at the rate of 33.3% of total accumulated cost per annum).

EMRA is entitled to a share of 50% (except for, in accordance with the terms of the Concession Agreement, in the first four years where it shall be 40% for the first two years and 45% for the following two years) of SGM's net production surplus ("EMRA Profit Share") (defined as revenue less payment of the fixed royalty to Arab Republic of Egypt ("ARE") and recoverable costs). Based on the Company's calculation there was no net profit share due to EMRA as at 31 December 2015, nor is any likely to be due as at 30 June 2016. Accordingly, no EMRA entitlement has been recognised to date. Any payment made to EMRA pursuant to these provisions of the Concession Agreement will be recognised as a variable charge in the income statement (below profit after tax) of Centamin, which will lead to a reduction in the earnings per share.

Going concern statement

These financial statements for the year ended 31 December 2015 have been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations.

The Group meets its day-to-day working capital requirements through existing cash resources. As discussed in Note 20 during 2012 the operation of the mine was affected by two legal actions. The first of these followed from a decision taken by EGPC to charge international, not local (subsidised) prices for the supply of Diesel Fuel Oil to Sukari, and the second arose as a result of a judgment of the Administrative Court in relation to, amongst other matters, the Company's 160km^2 exploitation lease. With regard to the first decision, the Company remains confident that in the event that it is required to continue to pay international prices, the mine at Sukari will remain commercially viable. Similarly, the Company remains confident that the appeal it has lodged in relation to the decision of the Administrative Court will ultimately be successful, although final resolution of the matter may take some time.

With respect to the legal action, on 20 March 2013 the Supreme Administrative Court upheld the Company's application to suspend the decision until the merits of the Company's appeal are considered and ruled on, thus providing assurance that normal operations would be able to continue during this process. Sukari has operated as usual throughout the period.

In the unlikely event that the Group is unsuccessful in either or both of its legal actions, and that the operating activities are restricted to a reduced area, it is the directors' belief that the Group will be able to continue as going concern.

Having assessed the principal risks and the other matters discussed in connection with the long term viability statement (refer to the risk management report included within the annual report), the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements.

Non-GAAP financial measures

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

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

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

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

Reconciliation of profit before tax to EBITDA:

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

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

(2) Cash cost per ounce calculation*:* "cash costs per ounce" is a non-GAAP financial measure. Cash cost per ounce is a measure of the average cost of producing an ounce of gold, calculated by dividing the operating costs in a period by the total gold production over the same period. Operating costs represent total operating costs less administrative expenses, royalties, depreciation and amortisation. Management uses this measure internally to better assess performance trends for the Company as a whole. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use such non-GAAP information to evaluate the

Company's performance and ability to generate cash flow. The Company believes that these measures provide an alternative reflection of the Group's performance for the current period and are an alternative indication of its expected performance in future periods. Cash costs is intended to provide additional information, does not have any standardised meaning prescribed by GAAP and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. This measure is not necessarily indicative of operating profit or cash flow from operations as determined under GAAP. Other companies may calculate these measures differently.

Reconciliation of cash cost per ounce:

		Year ended 31 December 2015 before exceptional items(1)	**Year ended 31 December 2015 including exceptional items(1)**	Year ended 31 December 2013 before exceptional items	Year ended 31 December 2013 including exceptional items(1)
Mine production costs (Note 6)	US$'000	**271,019**	**314,827**	214,370	275,934
Less: Refinery and transport	US$'000	**(1,840)**	**(1,840)**	(1,063)	(1,063)
Cash costs	US$'000	**269,179**	**312,987**	213,307	274,871
Gold produced – total	(oz)	**439,072**	**439,072**	377,261	377,261
Cash cost per ounce	(US$/oz)	**613**	**713**	565	729

(1) Mine production costs, cash costs and cash cost per ounce includes an exceptional provision against prepayments recorded in Q4 2012 and 2013 to reflect the removal of fuel subsidies (refer to Note 6 to the financial statements for further details).

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

Reconciliation of AISC per ounce:

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

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

(3) Cash and cash equivalents, bullion on hand, gold sales receivables and available-for-sale financial assets: this is a non-GAAP financial measure any other companies may calculate these measures differently.

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

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

Internal controls
Financial reporting controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to management, including the CEO and CFO, on a timely basis so that appropriate decisions can be made regarding public disclosure. Management, with the participation of the certifying officers, has evaluated the effectiveness of the design and operation, as of 31 December 2015, of the Company's disclosure controls and procedures (as defined by the Canadian Securities Administrators). Based on that evaluation, the certifying officers have concluded that such disclosure controls and procedures are effective and designed to ensure that material information relating to the Company and its subsidiaries is made known to them by others within those entities.

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of our financial reporting and compliance with generally accepted accounting principles in our financial statements. Management evaluated at implementation the design of internal controls over financial reporting and has concluded that such internal controls over financial reporting are effective and are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards ("IFRS") as issued by IASB and adopted by the European Union ("EU IFRS"). In addition, there have been no changes in the Company's internal control over financial reporting during the year ended 31 December 2015 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

Financial instruments
At 31 December 2015, the Group has exposure to interest rate risk which is limited to the floating market rate for cash.

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

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

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

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

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

Egyptian court litigation

As discussed elsewhere in this document the Company was involved in two separate actions. The first followed from a decision taken by EGPC to charge international, not local (subsidised) prices for the supply of diesel fuel oil, and the second arose as a result of judgment of an Administrative Court of first instance in Cairo in relation to the Company's 160km^2 exploitation lease.

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 its rights to operate in Egypt. This agreement, the Concession Agreement, was entered into between the Arab Republic of Egypt, the Egyptian Mineral Resources Authority ("EMRA") and Centamin's wholly-owned subsidiary Pharaoh Gold Mines ("PGM"), and was approved by the Egyptian 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 the Court in order to demonstrate that the 160km^2 exploitation lease between PGM and EMRA had received approval from the relevant Minister as required by the terms of the Concession Agreement. Accordingly, the Court found that the exploitation lease in respect of the area of 160km^2 was not valid although it stated that there was in existence such a lease in respect of an area of 3km^2. Centamin, however, is in possession of the executed original lease documentation which clearly shows that the 160km^2 exploitation lease was approved by the Minister of Petroleum and Mineral Resources. It appears that an executed original document was not supplied to the Court.

Upon notification of the judgment the Group took various steps to protect its ability to continue to operate the mine at Sukari. These included lodging a formal appeal before the Supreme Administrative Court on 26 November 2012. In addition, in conjunction with the formal appeal the Group applied to the Supreme Administrative Court to suspend the initial decision until such time as the Court was able to consider and rule on the merits of the appeal. On 20 March 2013 the Court upheld this application thus suspending the initial decision and providing assurance that normal operations are able to continue whilst the appeal process is under way. EMRA has lodged its own appeal in relation to this matter which is supportive of the Company's position.

The Company has taken extensive legal advice on the merits of its appeal from a number of leading Egyptian law firms who have confirmed that the proper steps were followed with regard to the grant of the 160km^2 exploitation lease. In addition, the Company should ultimately benefit from law no 32 of 2014, which came into force in April 2014 and which restricts the capacity for third parties to challenge any contractual agreement between the Egyptian government and an investor. This law, whilst in force and ratified by the new parliament, is currently under review by the Supreme Constitutional Court of Egypt. After a series of delays and adjournments, the Concession Agreement appeal has now been set down for judgment on 24 May 2016. If the judgment is a final judgment, the Company expects it will be in its favour. However, it has been advised that the Egyptian legal system allows for the possibility of an interim judgment staying the appeal until the Supreme Constitutional Court has ruled on the validity of law no 32.

The Company therefore remains of the view that the appeal is based on strong legal grounds and will ultimately be successful.

In the event that the appellate court fails to be persuaded of the merits of the case put forward by the Group, the operations at Sukari may be adversely effected to the extent that the Group's operation exceeds the exploitation lease area of 3km^2 referred to in the original court decision.

The Company remains confident that normal operations at Sukari will be maintained whilst the appeal process is under way. Centamin does not currently see the need to take the matter to a court outside of Egypt as Centamin remains of the belief that the Egyptian Court will rule in Centamin's favour.

Further details about this litigation are set out in Note 20 to the financial statements and in the most recently filed Annual Information Form ("AIF") which is available on SEDAR at www.sedar.com.

Diesel fuel court case

In January 2012, the Group received a letter from Chevron to the effect that Chevron would not be able to continue supplying Diesel Fuel Oil ("DFO") to the mine at Sukari at local subsidised prices, thereby adding approximately US$150 per ounce to the cost of production. It is understood that the reason that this letter was issued was that Chevron had received a letter instructing it to do so from the Egyptian General Petroleum Corporation ("EGPC"). Subsequent to this first letter, the Group received a demand from Egyptian General Petroleum Corporation ("EGPC") for LE403 million (US$60 million) being the amount of the subsidy received in respect of the diesel fuel supplied from December 2009 until January 2012.

The Group took detailed legal advice on this matter and, in consequence, in June 2012 lodged an appeal against EGPC's decision in the Administrative Court. Again, the Group believes that its grounds for appeal are strong and that there is good prospect of success. However, as a practical matter, and in order to ensure the continuation of supply, the Group has since January advanced funds to its fuel supplier, Chevron, based on the international price for fuel. Further details about this litigation are set out in Note 20 to the financial statements and in the most recently filed AIF which will be available on SEDAR at www.sedar.com.

Overview of Sukari concession agreement

Pharaoh Gold Mines NL ("PGM") a 100% wholly owned subsidiary of the Company, EGSMA (now "EMRA") and the Arab Republic of Egypt ("ARE") entered into the Concession Agreement dated 29 January 1995, 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 identified in the Concession Agreement. The Concession Agreement came into effect under Egyptian law on 13 June 1995.

A summary of the main terms of the Concession Agreement is as follows:

- PGM provides funding to the Operating Company, Sukari Gold Mining Company, (SGM) and is responsible for the day-to-day management of that company.
- PGM is entitled to recover:
  - all current operating expenses incurred and paid after the initial commercial production;
  - exploration costs, including those accumulated to the commencement of commercial production (at the rate of 33.3% per annum); and
  - exploitation capital costs, including those accumulated prior to the commencement of commercial production (at the rate of 33.3% per annum).
- 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.
- The ARE is entitled to a royalty of 3% of net sales revenue from the sale of gold and associated minerals from the Sukari Gold Mine.
- Commencing on the date of commercial production, SGM and PGM are entitled to a 15 year exemption from any taxes imposed by the Egyptian government, with an option to file an application to extend this entitlement for a further 15 years.
- After the deduction of recoverable expenses and the payment of the 3% royalty, the profits are shared equally between PGM and EMRA (with an additional 10% of proceeds paid to PGM in the first 2 years that there are net proceeds and an additional 5% in the following 2 years).
- PGM, EMRA and the Operating Company are exempt from custom taxes and duties with respect to the importation of machinery, equipment and consumable items required for the purpose of exploration and mining activities at Sukari.
- PGM, EMRA, the Operating Company and their respective buyers will be exempt from any duties or taxes on the export of gold and associated minerals produced from the Sukari Gold Mine.

In addition, the Concession Agreement establishes a procedure for the conversion of any exploration lease granted in favour of PGM into an exploitation lease. Upon following the procedure prescribed by the Concession Agreement, the Company was granted such an exploitation lease in respect of 160km^2 in 2005 and is in possession of the original document granting this lease duly signed by all relevant parties. The validity of this lease is, however, the subject of the litigation referred to above.

For the accounting treatment of the Concession Agreement refer to Note 23 to the financial statements.

Principal risks affecting the Centamin Group

Centamin takes a number of measures to mitigate risks associated with its underlying operational and exploration activity which are monitored and evaluated regularly. Due to the nature of these inherent risks, it is not possible to give absolute assurance that mitigating actions will be wholly effective. The descriptions below describe the current status of the principal risks affecting Centamin and its operational and exploration activities together with the measures to mitigate risk.

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

We recognise the value of being a socially responsible employer and the importance of engaging with the wider community in the areas in which we operate. By investing in the community and engaging in projects that directly and positively impact local people, we can foster a cooperative working environment.

The trend line suggests the relative movement (either adverse, neutral or improving) for each principal risk, over the last 12 months. This trend represents the views of the Company based on their experience operating and working in the relevant jurisdictions.

STRATEGIC: Single project dependency (Neutral)
The Sukari Project currently constitutes Centamin's main mineral resource and sole mineral reserve and near-term production and revenue. The resource at the advanced staged exploration site in Burkina Faso is not currently of a sufficient size to convert into a reserve. The regional exploration of the licence portfolio in Burkina Faso and Côte d'Ivoire continues on the existing 1.92Moz Indicated and 1.33Moz Inferred resource.

Mitigation: The project at Sukari has two distinct ore sources (open pit and underground), the processing plant has two separate floatation circuits and two separate power stations. Whilst one project, the nature of the design of the plant provides adequate mitigation and reduces the relative likelihood of dependence compared to a single layer plant design. The second circuit of the process plant has been fully operational for over 12 months which shows the resilience of the project. In addition, the plant is fed by both the open pit and underground operation, providing high and lower grade ore to the processing plant. Operational activity and production is expected to continue at above nameplate capacity. Other mitigating factors include the continued focus on longer term growth and expansion through exploration and acquisition targets both inside and outside of Egypt.

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

INTERNAL STRATEGIC RISK: Sukari project joint venture risk and relationship with EMRA (Neutral)
Whilst Centamin retains control over the project, the joint venture holding company, Sukari Gold Mines ("SGM"), is jointly owned with EMRA with equal board representation from both parties. The board of SGM operates by way of simple majority. As such, should the board of SGM be unable to reach consensus on a matter requiring board level approval or in the event of any dispute that may arise which can't otherwise be amicably resolved, arbitration or other proceedings may need to be employed to resolve any disputes.

Mitigation: These include ensuring co-operative and timely correspondence, maintaining good relations with EMRA, and making sure that the terms and conditions of the Concession Agreement governing the mine are fully complied with.

Current discussions with EMRA are focused on the cost recovery process and determining the exact timing and quantum of the first payment of profit share for Sukari, as well as the interpretation of certain provisions of the Concession Agreement. Centamin has shown its willingness to assist EMRA through prepayments in relation to future profit share.

Commentary: The successful management of the Sukari gold mine is in part dependent on maintaining a good working relationship with EMRA. The group has regular meetings with officials from EMRA and invests time in liaising with relevant ministry and other governmental representatives.

EXTERNAL STRATEGIC RISK: Gold price and currency exposure (Neutral)
The Company does not currently hedge against the price of gold or exposure to currencies.

Mitigation: Centamin manages its exposure to gold price by keeping operating costs as low as possible. Revenues from gold sales are in US dollars and Centamin has exposure to costs in other currencies including Egyptian pounds, Australian dollars and sterling. Natural hedges against currency fluctuations are utilised wherever possible to offset foreign currency liabilities.

Commentary: The group is 100% exposed to the gold price, however, the cash costs of the Sukari gold project remain low compared with the industry norm.

INTERNAL STRATEGIC RISK: Jurisdictional taxation exposure (Neutral)
The group's corporate structure includes operational activity in Egypt and West Africa held through holding companies in Australia and the United Kingdom.

Mitigation: Exposure to changing cross jurisdictional tax legislation could have an adverse effect of the Company's ability to repatriate revenues. The group engages tax advisors to provide local advice at an operational level as well as corporate and structuring advice at a corporate level. See note 7 in the financial statements for details of the tax leakage through the Australian holding group of companies.

EXTERNAL STRATEGIC RISK: Political risk – Sukari (Improved)
The Company's operational activities are primarily in Egypt a country which has been subject to civil and military disturbance. Future political and economic conditions in Egypt could change with future governments adopting different policies that may impact the development and ownership of mineral resources. Policy changes and licencing may also impact the use of explosives, tenure of mineral concessions, taxation, royalties, exchange rates, environmental protection, labour relations, repatriation of income and capital. Changes may also impact the ability to import key supplies and export gold.

Mitigation: The Concession Agreement with EMRA and the Egyptian Government, was declared into Egyptian Law No. 222 of 1994 which further protects the Company's licence rights and sets the applicable tax regime for a number of years. The Law received full parliamentary approval as required by Egyptian law.

Commentary: In respect to the Company's operations in Egypt, the potential for serious impact should be balanced against the Egyptian government's support of Centamin's investment and contribution to both revenue and development of the mining industry. New laws have been introduced to protect and therefore encourage foreign investment which is a positive step for the country. This new law was recently confirmed by the newly installed Parliament, although Law 32 remains subject to a challenge in the Supreme Court.

EXTERNAL STRATEGIC RISK: Political risk – West Africa (Neutral)
The Company operates in Burkina Faso and Cote d'Ivoire. There are no assurances that future political and economic conditions in these countries will not result in the governments adopting different policies in respect to foreign development and ownership of exploration and exploitation licences.

Mitigation: Centamin actively monitors legal and political developments, engaging in dialogue with relevant government and legal policy makers to discuss all key legal and regulatory developments. Policies have developed over many years to encourage foreign investment and the development of mining operations, which continues to be the focus of governments in these regions.

INTERNAL OPERATIONAL RISK: Reserve and Resource Estimate (Neutral)
Mineral resource and reserve figures are prepared by Centamin personnel and reviewed by externally appointed independent geologists. By their nature, mineral resources and reserves are estimates based on a range of assumptions, including geological, metallurgical technical and economic factors. Other variables include expected costs, inflation rates, gold price and production outputs. There can be no guarantee that the anticipated tonnages or grades expected by Centamin will be achieved both from the underground operation or open pit.

Mitigation: Management has implemented processes to continuously monitor and evaluate the current life of the Sukari gold mine, mine plans and production targets.

Commentary: The most recent technical update was completed in the Form 43-101 dated 23 October 2015 and is available at www.sedar.com.

INTERNAL OPERATIONAL RISK: Failure to achieve production estimates (Improved)
Centamin prepares annual estimates for future gold production from the Sukari Gold Mine. There can be no assurance that Centamin will achieve its production estimates and such failure could have a material and adverse effect on Centamin's future cash flows, profitability, results of operations and financial condition. It should be specifically noted that the potential quantity and grade from the Sukari underground mine is conceptual in nature, that there has been insufficient exploration to define a mineral resource and that it is uncertain if further exploration will result in the target being delineated as a mineral resource.

Mitigation: The realisation of production estimates are dependent on, amongst other things: the accuracy of mineral reserve and resource estimates; the accuracy of assumptions regarding ore grades and recovery rates; the ore tonnes and grade mined from the underground operation which are outside the current reserve base; ground conditions, skilled and motivated labour force, processing capacity and maintenance policies and logistics for consumables and parts.

Commentary: Whilst there can be no certainties, production to date has provided confidence in management's estimation and mine planning methods and with the fully operational expanded processing plant, the prospect of improvements in reliable forecasting is increased.

EXTERNAL OPERATIONAL RISK: Litigation (Improved)
Centamin's finances, and its ability to operate in Egypt, may be severely adversely affected by current and any future litigation proceedings and it is possible that further litigation could be initiated against Centamin at any time. Centamin is currently involved in litigation that relates both to (a) the validity of its exploitation lease at Sukari and (b) the price at which it can purchase Diesel Fuel Oil. Full details of the current litigation can be found in note 20 of the financial statements.

Mitigation: In order to mitigate this risk Centamin has a) engaged appropriate legal advice and continues to actively pursue its legal rights with respect to the existing litigation and its legal advisers believe that Centamin will ultimately be successful in both of these cases; and b) actively monitors both activity in court and local media for signs of any legislative developments that may threaten its operations, finances or prospects.

Commentary: The potential for serious impact should be balanced against Centamin's adherence to local laws and agreements; the Egyptian government's support of Centamin's investment; law 32 of 2014 that should protect Centamin against litigation of this nature; and the fact that Egypt and Australia have in place a bilateral investment treaty.

Related party transactions

The following related party transactions have been identified in line with IAS 24 Related Party Disclosures.

(a) Key management personnel equity holdings

Key management personal 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 details of the movement in key management personnel equity holdings of fully paid ordinary shares in Centamin plc during the financial period are as follows:

31 December 2015	Balance at 1 January 2015	Granted as remuneration (DBSP)	Received on exercise of options	Net other change[1]	Balance at 31 December 2015	Balance held nominally
J El-Raghy	71,445,086	-		-	71,445,086	-
T Schultz	30,000	-	-	-	30,000	-
G Haslam	102,056	-	-	-	102,056	-
M Arnesen	15,000	-	-	34,000	49,000	-
M Bankes	150,000	-	-	-	150,000	-
K Tomlinson	24,400	-	-	-	24,400	-
P Louw	2,137,500	-	500,000	(112,000)	2,525,500	-
A Pardey	2,185,000	-	900.000	(116,200)	2,968,800	-
R Osman	800,000	-	300,000	(116,666)	983,334	-
H Brown	550,000	-	100,000	-	650,000	-
D Le Masurier	300,000	-	200,000	-	500,000	-
L Gregory	300,000	-	150,000	(20,000)	430,000	-
Y El-Raghy	637,414	-	200,000	(56,781)	780,633	-
T Smith	-	-	400,000	(25,000)	375,000	-
L Sobey	390,000	-	-	(390,000)	-	-
A Davidson	450,000	-	200,000	(30,000)	620,000	-

Since 31 December 2015 to the date of this report there have been no transactions notified to the company under DTR 3.1.2.R.

b) Key management personnel share option holdings

There were no share options holdings awarded or acquired to key personnel and there was no movement in key management personnel options to acquire ordinary shares in Centamin plc.

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

c) Other transactions with key management personnel

The related party transactions for the year ended 31 December 2015 are summarised below:

Josef El-Raghy is a director and shareholder of El-Raghy Kriewaldt Pty Ltd ("El‐ Raghy Kriewaldt"). El-Raghy Kriewaldt provides office premises to the Company. All dealings with El-Raghy Kriewaldt are in the ordinary course of business and on normal terms and conditions. Rent and office outgoings paid to El-Raghy Kriewaldt during the period were A$62,595 or US$46,820 (31 December 2014: A$57,898 or US$51,920).

d) Transactions with other related parties

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

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

During the financial period the Company provided funds to and received funding from subsidiaries.

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

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

Subsequent events

For further information, see Note 31 to the financial statements.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This document contains "forward-looking information" which may include, but is not limited to, statements with respect to the future financial or operating performance of Centamin plc ('Centamin' or 'the Company'), its subsidiaries (together 'the Group'), affiliated companies, its projects, the future price of gold, the estimation of mineral reserves and mineral resources, the realization of mineral reserve and resource estimates, the timing and amount of estimated future production, revenues, margins, costs of production, estimates of initial capital, sustaining capital, operating and exploration expenditures, costs and timing of the development of new deposits, costs and timing of future exploration, requirements for additional capital, foreign exchange risks, governmental regulation of mining operations and exploration operations, timing and receipt of approvals, consents and permits under applicable mineral legislation, environmental risks, title disputes or claims, limitations of insurance coverage and regulatory matters. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "targets", "aims", "anticipates" or "believes" or variations (including negative variations) of such words and phrases, or may be identified by statements to the effect that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and a variety of material factors, many of which are beyond the Company's control which may cause the actual results, performance or achievements of Centamin, its subsidiaries and affiliated companies to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Readers are cautioned that forward-looking statements may not be appropriate for other purposes than outlined in this document. Such factors include, among others, future price of gold; general business, economic, competitive, political and social uncertainties; the actual results of current exploration and development activities; conclusions of economic evaluations and studies; fluctuations in the value of the U.S. dollar relative to the local currencies in the jurisdictions of the Company's key projects; changes in project parameters as plans continue to be refined; possible variations of ore grade or projected recovery rates; accidents, labour disputes or slow-downs and other risks of the mining industry; climatic conditions; political instability, insurrection or war, civil unrest or armed assault; labour force availability and turnover; delays in obtaining financing or governmental approvals or in the completion of exploration and development activities; as well as those factors referred to in the section entitled "Risks and Uncertainties" section of the Management discussion & analysis. The reader is also cautioned that the foregoing list of factors is not exhausted of the factors that may affect the Company's forward-looking statements.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this document and, except as required by applicable law, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results or otherwise. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

QUALIFIED PERSON AND QUALITY CONTROL

Information of a scientific or technical nature in this document was prepared under the supervision of Andrew Pardey, BSc. Geology, Chief Executive Officer of Centamin plc and a qualified person under the Canadian National Instrument 43-101.

Refer to the technical report entitled "Mineral Resource and Reserve Estimate for the Sukari Gold Project, Egypt" dated 30 June 2015 and filed on SEDAR at www.sedar.com, for further discussion of the extent to which the estimate of mineral resources/reserves may be materially affected by any known environmental, permitting, legal, title, taxation, socio-political, or other relevant issues.