

PERTH, AUSTRALIA--(Marketwired - Nov 11, 2015) - [Centamin Plc](#) ("Centamin" or "the Company") and its subsidiaries (the "Group") (LSE: CEY) (TSX: CEE) is pleased to announce its results for the third quarter ended 30 September 2015.

#### Operational Highlights<sup>(1),(2)</sup>

- Gold production of 105,413 ounces was in line with the second quarter and a 13% increase on Q3 2014.
- Cash cost of production of US\$767 per ounce and all-in sustaining costs (AISC) of US\$918 per ounce, versus US\$706 per ounce and US\$853 per ounce respectively in the previous quarter.
- 2015 production guidance of between 430,000 and 440,000 ounces. With higher anticipated fourth quarter production and our continued focus on cost control, we expect to achieve below the previously guided cash cost of production of US\$700 per ounce and AISC of US\$950 per ounce.
- Process plant throughput of 2.67Mt was 7% above the 10Mtpa nameplate capacity.
- Open pit mining rates and grades in line with forecast. Underground mine delivered 312kt of ore, an 11% increase on Q2 2015, at an average grade of 6.45g/t in line with the mining plan.
- Exploration drilling in Burkina Faso and Côte d'Ivoire has outlined mineralisation over a number of prospects, and has identified structurally controlled higher-grade zones.
- Updated Sukari Resource and Reserve estimate announced in September 2015. Total combined open pit and underground Mineral Reserve estimate of 8.8 Moz, up 7% from 8.2 Moz at 30 September 2013.

#### Financial Highlights<sup>(1),(2)</sup>

- EBITDA of US\$31.3 million was down 16% on Q2 2015, with a 5% reduction in gold prices together with increased operating costs and an adverse movement in production inventory and ore stockpiles.
- Centamin remains debt-free and un-hedged with cash, bullion on hand, gold sales receivable and available-for-sale financial assets of US\$216.1 million at 30 September 2015.
- Basic earnings per share of 0.55 cents; down 67% on Q2 2015 due to the factors affecting EBITDA and a 36% increase in depreciation and amortisation, following the reserve update at 30 June 2015 and a consequent increase in the amortisation charge for capitalised underground development.

#### Legal Developments in Egypt

- The Supreme Administrative Court appeal and Diesel Fuel Oil court case are both still on-going. Centamin is aware of the potential for the legal process in Egypt to be lengthy and it anticipates a number of hearings and adjournments before decisions are reached. Operations continue as normal and any enforcement of the Administrative Court decision has been suspended pending the appeal ruling.

		Q3 2015	Q2 2015	Q3 2014
Gold produced	ounces	105,413	107,781	93,624
Gold sold	ounces	104,803	104,168	91,575
Cash cost of production <sup>(1,2)</sup>	US\$/ounce	767	706	771
AISC <sup>(1,2)</sup>	US\$/ounce	918	853	NR
Average realised gold price	US\$/ounce	1,131	1,188	1,267
Revenue	US\$'000	118,529	124,192	116,116
EBITDA <sup>(1,2)</sup>	US\$'000	31,304	37,308	37,810
Profit before tax <sup>(2)</sup>	US\$'000	6,253	18,841	15,821
EPS <sup>(2)</sup>	US cents	0.55	1.65	1.39
Cash generated from operations <sup>(2)</sup>	US\$'000	31,261	49,729	31,236

<sup>(1)</sup> Cash cost of production, AISC, EBITDA and cash, bullion on hand, gold sales receivables and available-for-sale financial assets are non-GAAP measures and are defined at the end of the Financial Statements. AISC is defined by the World Gold Council (<http://www.gold.org/>).

<sup>(2)</sup> Basic EPS, EBITDA, AISC, cash cost of production includes an exceptional provision against prepayments, recorded since Q4 2012, to reflect the removal of fuel subsidies which occurred in January 2012 (see Note 4 of the Financial Statements)

NR - Not Reported.

Andrew Pardey, CEO of Centamin, commented: "Gold output from Sukari during the third quarter was comparable with both the first and second quarters and in line with our forecast for the period, with production continuing to build on the progressive ramp-up of the expanded operation. Plant productivity remained significantly above the 10Mtpa nameplate capacity and the ongoing process of optimisation is expected to deliver our base case rate of 11Mtpa during the fourth quarter. The underground mine has now delivered consecutive quarters at production rates significantly in excess of our annual forecast and at consistent grades of at least 6g/t, therefore demonstrating the potential for this part of the operation to sustain production in excess of our longer-term forecasts. Further development of the open pit has now set the stage to deliver the required tonnages at grades in the region of the reserve average from the fourth quarter onwards. Full year guidance is between 430,000 and 440,000 ounces at a cash cost of

production of below US\$700 per ounce and below the previously guided AISC of US\$950 per ounce."

Centamin will host a conference call on Wednesday, 11th November at 9.00am (London, UK time) to update investors and analysts on its results. Participants may join the call by dialling one of the following three numbers, approximately 10 minutes before the start of the call.

UK Toll Free: 080 8237 0040  
International Toll number: +44 20 3428 1542  
Participant code: 42792283#

A recording of the call will be available four hours after the completion of the call on:

UK Toll Free: 0808 237 0026  
International Toll number: +44 20 3426 2807  
Playback Code: 663773#  
Via audio link at <http://www.centamin.com/centamin/investors>

## CHIEF EXECUTIVE OFFICER'S REPORT

Third quarter gold production of 105,413 ounces was in line with our forecast and was comparable with both the first and second quarters. The average realised gold price fell by 5% on the previous quarter which, together with a 6% increase in mine production costs and a US\$3.2 million increase of the movement in production inventory and ore stockpiles, resulted in EBITDA of US\$31.3 million, down 16% on the second quarter and down 17% on Q3 2014.

Sukari has continued to deliver competitive returns, as reflected by all-in sustaining costs (AISC) of US\$918 per ounce for the quarter, below our original full year guidance of US\$950 per ounce mainly due to further re-scheduling of certain sustaining capital cost items. We expect full year production of between 430,000 and 440,000 ounces. With higher anticipated fourth quarter production and our continued focus on cost control, we expect to achieve below the previously guided cash cost of production of US\$700 per ounce and AISC of US\$950 per ounce.

Positive cash flow saw Centamin's balance sheet further strengthened, ending the period with US\$216.1 million of cash, bullion on hand, gold sales receivable and available-for-sale financial assets. The cash and cash equivalents component of this total increased during the quarter by US\$15.6 million. There was a US\$12.2 million reduction in gold sales receivables during the quarter, offset by a US\$11.1 million reduction in trade and other payables.

Safety remains a priority and therefore it is pleasing to note that during the period we reached our safety target of zero lost time injuries.

Processing rates were 7% above the 10Mtpa nameplate capacity, with continuing optimisation focussing on the secondary crusher liners and improvements to the screen configurations. Scheduled work around the CIL circuit impacted recoveries, which fell back to 88.2% from the 90.3% level achieved in the second quarter, with a return towards the higher levels expected during the fourth quarter as the work is completed.

The open pit delivered total material movement of 14,344kt, an increase of 5% on Q2 2015 due to improved fleet utilisation and productivity, with further improvements and therefore higher mining rates expected during the fourth quarter. Pit development has progressed over the year to date according to the mine plan and mined ore grades of 0.74g/t were in line with our forecast.

The underground mine delivered 312kt of ore, an 11% increase on Q2 2015, at an average grade of 6.45g/t in line with the mining plan. The focus for the operation remains to consistently deliver ore at an average grade of at least 6g/t.

Production rates are expected to increase to a rate of 450,000-500,000 ounces per annum from the fourth quarter onwards, driven by ongoing optimisation of the processing plant to deliver our base case expectation of 11Mtpa, and an increase in open pit ore grades towards the reserve average of 1.03g/t. Our longer-term production and cost forecasts remain unchanged and there remains scope for significant additional production increases as productivity in the various areas of the expanded Sukari operation is further optimised.

An updated resource and reserve estimate for Sukari in September provided further support to our production forecasts and our expectation of a long life and low cost operation that will continue to generate significant cash flow even under the current weak gold price environment. Open pit reserves of 8.3 million ounces increased over the previous estimate by approximately 0.5 million ounces, net of mining depletion. This increase was due to lower mining and processing costs associated with the recent reduction in international fuel prices and continued drilling from the underground. The estimate was based on assumptions conservatively above current operating costs. Reserves were based on a US\$1,300 per ounce gold price, consistent with previous estimates and

allowing for comparisons exclusive of short-term volatility in the gold market over the expected plus 19-year life of the operation. Continued growth of the underground resource and reserve demonstrates the ongoing potential for further material increases over the coming years as development and drilling continues to extend along strike and at depth.

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

Centamin remains committed to its policy of being 100% exposed to the gold price through its un-hedged position.

The two litigation actions, Supreme Administrative Court appeal (SAC Appeal) and Diesel Fuel Oil court case (DFO Case), progressed during the quarter and are described in further detail in Note 7 to the financial statements. In respect of the former, the Company continues to believe that it has a strong legal position and, in addition, that it will ultimately benefit from law 32/2014, 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. Law 32/2014 is currently under review by the Supreme Constitutional Court of Egypt. We are aware of the potential for the legal process in Egypt to be slow and for cases to be subject to delays and adjournments but we remain confident of the merits of the two cases.

For the full release please follow the following link:  
[http://www.rns-pdf.londonstockexchange.com/rns/2644F\\_-2015-11-10.pdf](http://www.rns-pdf.londonstockexchange.com/rns/2644F_-2015-11-10.pdf)

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