



CENTAMIN EGYPT LIMITED

CONSOLIDATED FINANCIAL REPORT FOR THE HALF YEAR ENDED 30 JUNE 2011

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HIGHLIGHTS FOR THE SIX MONTHS ENDED 30 JUNE 2011

		Half year ended 30 June 2011	* Six Month Financial Period ended 31 December 2010
Open Pit Ore Mined	('000t)	⁽¹⁾ 2,251	3,805
Total Open Pit Material Mined	('000t)	7,053	10,891
Strip Ratio	waste/ore	2.1	1.85
U/ground Development Ore Mined	('000t)	80	40
U/ground Ore Mined	('000t)	4	0
Ore Processed	('000t)	1,590	1,378
Head Grade	(g/t)	1.92	2.06
Gold Recovery	(%)	86.2	85.4
Gold Produced - Dump Leach	(oz)	5,919	5,436
Gold Produced - Total ⁽²⁾	(oz)	93,195	83,432
Cash Operating Cost of Production ⁽³⁾	US\$/oz	567	549
Gold Sold	(oz)	113,502	66,378
Average Sales Price	US\$/oz	1,467	1,308

Notes:-

⁽¹⁾ Includes 1,262k tonnes @ 0.48 g/t placed on dump leach pads.

⁽²⁾ Gold produced is gold poured and does not include gold-in-circuit at period end.

⁽³⁾ Cash operating costs excludes royalties, exploration and corporate administration expenditure.

* Refer to Note 1 for an explanation of the comparative period.

Highlights for the Six Months ended 30 June 2011

- For the six months to June 2011 gold production of 93,195 ounces was achieved from the Sukari Gold Mine.
- Cash operating costs averaged US\$567 per ounce for the same period.
- Average gold sales price received was US\$1,467 per ounce.
- The underground operation commenced Commercial Production during the period with a total of 43kt @ 12.5 g/t being extracted. At the end of the period proven ore reserves were 126,000t @ 11.9 g/t with definition drilling ongoing.
- Open pit and underground mining operations were affected during the year by two separate occurrences both of which affected the supply of explosives. The first was the delayed clearance, transportation and delivery to Sukari of blasting accessories which took place in the 1st quarter. The second was the restricted issue of blasting products by Police Blast Inspectors in Sukari. Both these issues have been resolved. However the cumulative impact of both these events resulted in excessive delays and slowing of mining activities which has resulted in a revised guidance for 2011 of 200,000 - 210,000 ounces production.
- The Stage 4 expansion to a 10Mtpa process plant was approved by the Board for a capital cost of US\$255m (excluding contingency). Long lead items have been ordered and significant contracts awarded with commissioning expected to take place in the first quarter of 2013.
- Planning and modelling commenced for a secondary decline development accessing the northern high grade Julius Zone at the base of the Sukari porphyry.
- Regional exploration returned significant intercepts at the V Shear prospect (approximately 2.5km north east of the Sukari process plant) including 16m @ 3.00g/t from 151m. Follow up programmes are currently being planned.

HIGHLIGHTS FOR THE SIX MONTHS ENDED 30 JUNE 2011 (cont.)

- On 11 July 2011, the Company announced an offer for Sheba Exploration (UK) Plc, a PLUS quoted company (PLUS:SHE), for the entire issued and to be issued share capital of the company. The offer is fully supported by the Sheba Board and is made on the basis of:
 - o A cash payment of 3.0 pence per Sheba share and,
 - o The number of ordinary shares in the capital of Centamin equal to the number of Sheba shares divided by 40.

The Offer was open for acceptance until 1pm on 01 August 2011. On 29 July 2011, the Company announced that the offer had been declared unconditional in all respects, with over 90% acceptances received. Further the Board announced that Centamin's recommended offer for the entire issued and to be issued share capital of Sheba Exploration (UK) Plc ("Sheba") closed at 11.00 a.m. (London time) on Monday, 8 August 2011 (the "Closing Time"). As at the Closing Time, valid acceptances of the Offer had been received in respect of 116,249,117 Sheba ordinary shares, representing approximately 95.64% of Sheba's issued ordinary share capital.

Centamin intends to exercise its rights pursuant to the provisions of Chapter 3 of Part 28 of the Companies Act 2006 to acquire compulsorily any remaining Sheba ordinary shares in respect of which acceptances have not been received on the same terms as the Offer. On 5 August 2011, Sheba announced its intention to withdraw the Sheba ordinary shares from, and to cancel the admission of the Sheba ordinary shares to, the PLUS-quoted Market, with effect from the close of business on Friday, 19 August 2011 (the "Delisting"). It is further intended that, following the Delisting and the completion of the statutory compulsory acquisition procedure, Centamin will procure that Sheba is re-registered as a private limited company in accordance with the provisions of the Companies Act 2006.

- The Company remains debt free and unhedged.
- All capital and ongoing operating expenses in Egypt continue to be financed from cash flows generated by gold revenues from the Sukari Gold Mine.

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2011

The Directors of Centamin Egypt Limited ("the Company") herewith submit the financial report for the half year ended 30 June 2011. In order to comply with the provisions of the Corporations Act 2001, the Directors' Report is as follows:

DIRECTORS

The names of the Directors and officers of the Company during or since the end of the half-year are:

Mr Josef El-Raghy, Executive Chairman
 Mr Trevor Schultz, Executive Director
 Mr Harry Michael, Chief Executive Officer
 Professor G Robert T Bowker, Non Executive Director
 Mr Ed Haslam, Senior Independent Non Executive Director (appointed 22 March 2011)
 Mr Mark Arnesen, Non Executive Director (appointed 24 February 2011)
 Mr Mark Banks, Non Executive Director (appointed 24 February 2011)
 Mr H Stuart Bottomley, Non Executive Director (resigned 02 February 2011)
 Mr Colin Cowden, Non Executive Director (resigned 26 May 2011)
 Dr Thomas Elder, Non Executive Director (resigned 26 May 2011)
 Mr Pierre Louw, Chief Financial Officer (appointed 13 May 2011)
 Mr Marco Di Silvio, Chief Financial Officer (resigned 12 May 2011)
 Mr Chris Aujard, General Counsel and Company Secretary (appointed 23 May 2011)
 Mrs Heidi Brown, Company Secretary

PRINCIPAL ACTIVITIES

The consolidated entity's principal activities during the course of the financial period were the exploration for precious and base metals, production of gold and ongoing expansion at the Sukari project. The Company has a considered growth path and strategy in place whereby it seeks to maximise shareholder value from investment opportunities in Egypt and Ethiopia or where other opportunities may arise within the region.

REVIEW OF OPERATIONS

Sukari Global Resource

0.5 g/t Cut-off Au	Tonnes (Mt)	Grade (g/t Au)	Gold (Moz)
Measured & Indicated	235.73	1.45	10.99
Inferred	68.9	1.6	3.5
TOTAL	304.6	1.48	14.5

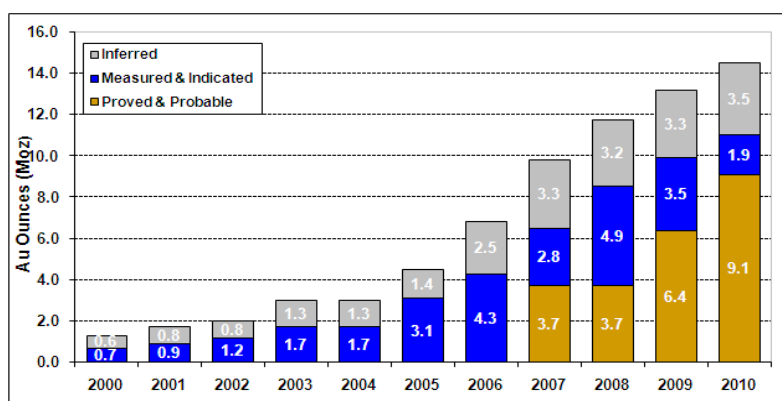
Notes to table: Figures in table may not add correctly due to rounding. Proven and probable ore reserves are included in mineral resources. Figures are below the August 2010 mined surface.

Sukari Mineral Reserve

Proven		Probable		Mineral Reserve		
Tonnes (Mt)	Au (g/t)	Tonnes (Mt)	Au (g/t)	Tonnes (Mt)	Au (g/t)	Cont Au (Moz)
102.4	1.09	142.9	1.19	245.4	1.15	9.1

The mineral reserves are based on the resource model announced on 08 June 2010 which includes drilling up to 31 May 2010 and below the August 2010 mined surface, a gold price of US\$900 per ounce and a cut-off grade of 0.3 g/t Au for oxide transition and sulphide material.

Sukari Global Resource and Mineral Reserve Growth



DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2011 (cont.)**Open Pit Operations**

For the six months to June 2011, a total of 2,251Mt of ore @ 1.08g/t Au was mined with a total material movement of 7,053Mt and resultant waste to ore ratio of 2.1:1.

The bench level of the Stage 1A cutback reached the 1052mRL with mining focused in this area to ensure access to the ore at the bottom of the Stage 1 where the current bench level is 1028mRL (approximately 72 metres below the Wadi level). Stage 2 mining during the period progressed to the 1112mRL.

Project work continued at the Tailings Storage Facility with material being mined for the North east wall to complete the area to 1090.3mRL.

Process Operations

Process plant throughput for the six months to June 2011 was 1,590kt, increasing by 15% toward the end of the period with the commissioning of the secondary crushing circuit. Whilst substantially higher throughput rates can be achieved the circuit as yet has not been optimised due to ore feed interruptions and the inclusion of some transitional ore to maintain feed supply which also impacted metallurgical recoveries.

Dump Leach Operations

Dump leach pads continue to be irrigated with a total placement by end of June 2011 of approximately 4.2Mt of low grade oxide ore at an average dumped grade of 0.5 g/t with 5,919 ounces recovered for the six months to June 2011.

Underground Operations

Commercial production commenced from the underground development in Sukari effective 01 May 2011 as a result of two stopes being in a position to draw ore, sufficient development headings (now on three levels) and decline advance in place to sustain a consistent ore production rate.

Underground development recorded an overall advance of 1,420m for the six months to June 2011, including continued development of the main Amun decline (460m), ore drives and cross cut development (960m) as well as associated ventilation decline and escape way infrastructure.

Stoping commenced during this period, with a total of 3,865 tonnes @ 18.2g/t being stoped out. In addition, 80,321 tonnes of development ore @ 9.57g/t was mined for the six months to June 2011.

A total of 3,145m of underground definition drilling was completed during the six months to June 2011.

Definition drilling has clearly identified two significant and highly mineralized zones, the first a stacked en echelon high grade quartz vein zone on the footwall of the porphyry typically averaging between 15-20 Au g/t and the second a broader (several metres) but lower grade classical quartz stockwork zone associated with the hanging wall contact and typically having average grades of between 5-7g/t.

The higher grade zones are planned to be extracted using a longhole retreat mining method while the broader stockwork zones will utilize a bulk longhole stoping method of extraction. As is typical with such ore bodies, whilst a high degree of continuity can be expected, detailed mine planning and proven ore reserves can only be provided a maximum of 12-18 months in advance of mining activity. Currently grade controlled ore reserves stand at 126,000t @ 11.9 g/t with definition drilling ongoing.

On this basis it is likely the current underground operation will deliver higher grades at lower tonnes in the order of 250,000tpa at between 10-12g/t. This throughput is limited due to the current location and number of development headings possible for the currently defined ore zone.

As such planning has commenced for a secondary decline development to drive development towards the north of Sukari Hill and access the high grade Julius Zone. The aim of this is to potentially double the tonnage extraction rate stated above but at similar grades. The assessment and decision to proceed with this will be made in the latter part of this year.

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2011 (cont.)**Exploration**Sukari Hill

During the period, resource definition drilling continued to be mainly concentrated in the Hapi, Hapi Deeps and the west dipping high grade structures at Pharaoh Zone and in converting inferred resource into measured and indicated status. In total, 30,060m of diamond drilling was completed for the six months to June 2011. The current drill programme continues to show success in targeting the down dip and along strike extension of the Hapi Zone and other parallel high grade structures and/or the west dipping high grade structures as well; within the main porphyry.

Significant assays returned were as follows:-

- D1601 - 11m @ 2.18g/t from 287m
- D1609 - 26m @ 2.08g/t from 703m
- D1611 - 12m @ 13.36g/t from 455m
- D1612 - 203m @ 2.3 g/t from 568m, including 67m @ 5.89 g/t from 702m
- D1624 - 19m @ 2.14g/t from 266m
- D1638 - 127m @ 2.31g/t from 684m, including 13m @ 7.09g/t from 770m
- D1646 - 13m @ 3.25g/t from 204m
- D1650 - 21m @ 2.41g/t from 604m
- D1657 - 10m @ 3.35g/t from 38m
- D1658 - 80m @ 2.95g/t from 599m

A revised resource and reserve estimate is planned to be produced early in the 4th quarter of 2011.

Quartz Ridge

Drilling continued at Quartz Ridge with results confirming continuity of an east-west trending mineralised structure approximately 1.5 km east of the Sukari process plant.

Current intercepts include:-

- 22m @ 1.11g/t from surface, including 5m @ 3.90g/t from 17m
- 11m @ 1.08g/t from 58m
- 5m @ 2.04g/t from 31m
- 4m @ 16.4g/t from 156m
- 5m @ 7.03g/t from 42m over a 150m strike length

A follow up 10,000m RC program to test the strike extent of this zone will commence in the 3rd quarter of 2011 followed by a resource estimate which will be included in the overall resource estimate of the project later in the year.

V- Shear

V-Shear lays approximately 1km north west of Quartz Ridge and just over a kilometre from the Sukari process facility.

Following initial soil and BLEG sampling programmes 3 RC holes (600m) were drilled during the quarter with the following significant results:-

- 7m @ 21.4 g/t from 28m
- 16m @ 3.00 g/t from 151m

These above intercepts as well as the relationship of V Shear to the Quartz Ridge mineralisation are potentially highly significant. As such a 20,000 m RC program is being planned for this area as well as a soil/rock chip sampling program between the two mineralised zones.

SUKARI GOLD MINE EXPANSION**Stage 3 Expansion – Secondary Crushing Circuit**

Commissioning of the secondary crushing circuit continued towards the end of the period with no major issues being encountered. The second secondary crusher unit was installed late in the second quarter as part of the overall completion of the project. Once commissioned this will provide the circuit with the additional flexibility for continuous operations and improved circuit availability.

Ore supply interruptions during the period due to restricted blasting product issuance prevented the full commissioning of the circuit. This is now expected to take place during the second half of the year.

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2011 (cont.)

Stage 4 Expansion – 10Mtpa

The Stage 4 expansion project has been approved by the Board.

The Stage 4 project will increase the process capacity of the operation to 10Mtpa (currently ramping up to 5Mtpa) which will include the provision of related infrastructure and services to support the same. The key construction/mobilisation activities to be undertaken will include:

- a 5Mtpa SABC circuit along with commensurate flotation, fine grind and flotation/CIL facilities;
- a 28MW HFO/Diesel fuelled power station;
- a 25km sea water pipeline capable of delivering 900m³/hr of raw water to the process plant;
- expansion of the current tails storage facility to accommodate the larger throughput and accelerated deposition rates;
- purchase, mobilization and assembly of additional mining equipment to support the initial increase in mining rate;
- appropriate infrastructure to support the above facilities including mobile fleet workshops, expanded warehouse and offices as well as camp accommodation expansion.

As part of this approval the following long lead items and contracts have been awarded, orders placed, initial deposits paid and production slots locked in with the relevant manufacturers:

- SAG and Ball mill shells and motors;
- Initial mining mobile equipment purchases;
- Award of power plant construction (EPC) contract and ordering of engines;
- Award of Engineering and Design contract for sea water pipeline.

With the completion of the Front End Engineering and Design (FEED) phase by the company's EPCM consultants, GBM Mineral Consultants the capital cost has been estimated at US\$ 255.4m. This number only includes mining equipment expenditure up to project completion and excludes contingency. Project completion and commissioning is scheduled to occur in the 1st quarter of 2013.

It is intended that the Stage 4 expansion will be financed entirely from cash flow generated from the Sukari Gold Mine.

CORPORATE / FINANCE ACTIVITIES

On 11 July 2011, the Company announced an offer for Sheba Exploration UK) Plc, a PLUS quoted company (PLUS:SHE), for the entire issued and to be issued share capital of the company. The offer is fully supported by the Sheba Board and is made on the basis of:

- A cash payment of 3.0 pence per Sheba share and,
- The number of ordinary shares in the capital of Centamin equal to the number of Sheba shares divided by 40.

Sheba owns and operates three gold and base metal exploration licences in Ethiopia.

The Offer was open for acceptance until 1pm on 1 August 2011 (see Centamin announcement dated 11 July 2011).

On 29 July 2011, the Company announced that the offer had been declared unconditional in all respects, with over 90% acceptances received. Further to the announcement made on 29 July 2011, the Board of Centamin Egypt Limited ("Centamin") announces that Centamin's recommended offer (the "Offer") for the entire issued and to be issued share capital of Sheba Exploration (UK) Plc ("Sheba") closed at 11.00 a.m. (London time) on Monday, 8 August 2011 (the "Closing Time"). As at the Closing Time, valid acceptances of the Offer had been received in respect of 116,249,117 Sheba ordinary shares, representing approximately 95.64% of Sheba's issued ordinary share capital.

Centamin intends to exercise its rights pursuant to the provisions of Chapter 3 of Part 28 of the Companies Act 2006 to acquire compulsorily any remaining Sheba ordinary shares in respect of which acceptances have not been received on the same terms as the Offer. On 5 August 2011, Sheba announced its intention to withdraw the Sheba ordinary shares from, and to cancel the admission of the Sheba ordinary shares to, the PLUS-quoted Market, with effect from the close of business on Friday, 19 August 2011 (the "Delisting"). It is further intended that, following the Delisting and the completion of the statutory compulsory acquisition procedure, Centamin will procure that Sheba is re-registered as a private limited company in accordance with the provisions of the Companies Act 2006.

At the end of June 2011, the Company had US\$201M in available cash and liquid assets. The Company remains debt free and unhedged.

DIRECTORS' REPORT FOR THE HALF YEAR ENDED 30 JUNE 2011 (cont.)

Shareholders are referred to the Company's website (www.centamin.com) for further details.

ROUNDING OFF OF AMOUNTS

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the Director's Report and the half-year Financial Report are rounded off to the nearest thousand dollars, unless otherwise indicated.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration is included on page 8 of the half-year financial report.

Signed in accordance with a resolution of the directors made pursuant to s306(3) of the Corporations Act 2001.

On behalf of the Directors



Harry Michael
CEO

Perth, 30 August 2011

COMPETENT PERSONS STATEMENT

Quality Assurance and Control and Qualified Person

The information in this report that relates to ore reserves has been compiled by Mr Andrew Pardey. Mr Pardey is a Member of the Australasian Institute of Mining and Metallurgy and is a full time employee of the Company. He has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a "Competent Person" as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and is a "Qualified Person" as defined in the "National Instrument 43-101 of the Canadian Securities Administrators" and "CIM Definition Standards For Mineral Resources and Mineral Reserves" of December 2005 as prepared by the CIM Standing Committee on Reserve Definitions of the Canadian Institute of Mining. Mr Pardey's written consent has been received by the Company for this information to be included in this report in the form and context which it appears.

The information in this report that relates to mineral resources is based on work completed independently by Mr Nicolas Johnson, who is a Member of the Australian Institute of Geoscientists. Mr Johnson is a full time employee of Hellman and Schofield Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a "Competent Person" as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" and is a "Qualified Person" as defined in "National Instrument 43-101 of the Canadian Securities Administrators". Mr Johnson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Information in this report which relates to exploration, geology, sampling and drilling is based on information compiled by geologist Mr Richard Osman who is a full time employee of the Company, and is a member of the Australasian Institute of Mining and Metallurgy with more than five years experience in the fields of activity being reported on, and is a 'Competent Person' for this purpose and is a "Qualified Person" as defined in "National Instrument 43-101 of the Canadian Securities Administrators". His written consent has been received by the Company for this information to be included in this report in the form and context which it appears.

All exploration and resource samples were analysed by Ultra Trace Pty Ltd, Canning Vale, Western Australia. All mine based production samples were analysed by Sukari Assay Laboratory, Egypt.

Refer to the updated Technical Report which was filed in December 2010 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 issue.

The Board of Directors
Centamin Egypt Limited
57 Kishorn Road
Mt Pleasant WA 6153

30 August 2011

Dear Board Members

Centamin Egypt Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Centamin Egypt Limited.

As lead audit partner for the review of the financial statements of Centamin Egypt Limited for the half-year ended 30 June 2011, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely



DELOITTE TOUCHE TOHMATSU



Ross Jerrard
Partner
Chartered Accountants

Independent Auditor's Review Report to the members of Centamin Egypt Limited

We have reviewed the accompanying half-year financial report of Centamin Egypt Limited, which comprises the condensed statement of financial position as at 30 June 2011, and the condensed income statement, the condensed statement of comprehensive income, the condensed statement of cash flows and the condensed statement of changes in equity for the half-year ended on that date, selected explanatory notes and, the directors' declaration of the consolidated entity comprising the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 11 to 31.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Centamin Egypt Limited's financial position as at 30 June 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Centamin Egypt Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Independence Declaration

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Centamin Egypt Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Centamin Egypt Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2011 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



Ross Jerrard

Partner

Chartered Accountants

Perth, 30 August 2011

DIRECTORS' DECLARATION

The directors declare that:

- a) In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- b) In the directors' opinion, the attached financial reports and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s303(5) of the Corporations Act 2001.

On behalf of the Directors

A handwritten signature in dark ink, appearing to read 'Harry Michael', with a long horizontal flourish extending to the right.

Harry Michael
CEO

Perth, 30 August 2011

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**FOR THE HALF YEAR ENDED 30 JUNE 2011**

	Half Year ended 30 June 2011 US\$'000	Six Months* ended 31 December 2010 US\$'000
Revenue – Note 4a	167,405	87,203
Cost of Sales	(59,055)	(50,225)
	108,350	36,978
Other revenue	2,032	39
Production royalty	(5,000)	(2,604)
Foreign exchange gain	1,988	1,593
Administrative expenses	(2,389)	(3,752)
Share based payments	(561)	(14)
Other expenses	(104)	(198)
Profit before tax	104,316	32,042
Tax expense	-	-
Net Profit for the financial period	104,316	32,042
Other Comprehensive Income		
Other Comprehensive Income for the period (net of tax)	-	-
Other Comprehensive Income for the period	-	-
Total Comprehensive Income attributable to owners of the Company	104,316	32,042
<i>Earnings per share – Note 9</i>		
- Basic (cents per share)	9.64	3.10
- Diluted (cents per share)	9.63	3.09

* Refer to Note 1 for an explanation of the comparative period.

*The above Condensed Consolidated Statement of Comprehensive Income
should be read in conjunction with the accompanying notes.*

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**AS AT 30 JUNE 2011**

	30 June 2011	31 December 2010
	US\$'000	US\$'000
CURRENT ASSETS		
Cash and cash equivalents	146,347	154,338
Trade and other receivables *	37,560	128
Inventories	52,757	38,017
Other financial assets	16,424	460
Total current assets	253,088	192,943
NON-CURRENT ASSETS		
Plant and equipment	304,601	279,995
Exploration, evaluation and development expenditure – Note 5	191,042	167,894
Total non-current assets	495,643	447,889
Total assets	748,731	640,832
CURRENT LIABILITIES		
Trade and other payables	20,543	18,002
Current tax liabilities	444	444
Provisions	753	666
Total current liabilities	21,740	19,112
NON-CURRENT LIABILITIES		
Provisions	2,586	2,624
Total non-current liabilities	2,586	2,624
Total liabilities	24,326	21,736
NET ASSETS	724,405	619,096
EQUITY		
Issued Capital – Note 7	601,069	600,500
Reserves	3,769	3,345
Retained Income	119,567	15,251
TOTAL EQUITY	724,405	619,096

* Trade and other receivables are made up of an accrual of 24,409 oz of gold and 2,002 oz of silver at the refiners at 30 June 2011.

*The above Condensed Consolidated Statement of Financial Position
should be read in conjunction with the accompanying notes.*

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE HALF YEAR ENDED 30 JUNE 2011

	Issued Capital US\$'000	Reserves US\$'000	Options Reserve US\$'000	(Accumulated Losses) / Retained Income US\$'000	Total US\$'000
At 30 June 2010	465,096	2,295	1,942	(16,791)	452,542
Profit for the period	-	-	-	32,042	32,042
Total Comprehensive income for the period	-	-	-	32,042	32,042
Share options exercised	2,382	-	-	-	2,382
Cost of share based payments	-	-	14	-	14
Contributions of equity	132,116	-	-	-	132,116
Transfer to issued capital	906	-	(906)	-	-
At 31 December 2010	600,500	2,295	1,050	15,251	619,096
Profit for the period	-	-	-	104,316	104,316
Total Comprehensive income for the period	-	-	-	104,316	104,316
Share options exercised	432	-	-	-	432
Cost of share based payments	-	-	561	-	561
Transfer to issued capital	137	-	(137)	-	-
At 30 June 2011	601,069	2,295	1,474	119,567	724,405

*The above Condensed Consolidated Statement of Changes in Equity
should be read in conjunction with the accompanying notes.*

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**FOR THE HALF YEAR ENDED 30 JUNE 2011**

	Half Year ended 30 June 2011 US\$'000	Six Months* ended 31 December 2010 US\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	129,107	86,819
Interest received	554	321
Other income	2,344	100
Payments to suppliers and employees	(60,255)	(52,966)
Net cash generated by operating activities	71,750	34,274
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment to acquire other financial assets	(17,115)	-
Payment for plant and equipment	(31,823)	(4,064)
Payments for exploration & evaluation	(5,354)	(6,829)
Payments for mine property establishment expenditure	(28,095)	(36,636)
Net cash used in investing activities	(82,387)	(47,529)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from the issue of equity and conversion of options	551	138,931
Share issue costs	(119)	(4,433)
Net cash generated by financing activities	432	134,498
Net (decrease) / increase in cash and cash equivalents	(10,205)	121,243
Cash and cash equivalents at the beginning of the financial period	154,338	31,326
Effects of exchange rate changes on the balance of cash held in foreign currencies	2,214	1,769
Cash and cash equivalents at the end of the financial period	146,347	154,338

* Refer to Note 1 for an explanation of the comparative period.

*The above Condensed Consolidated Statement of Cash Flows
should be read in conjunction with the accompanying notes.*

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

STATEMENT OF COMPLIANCE

The half year report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report.

COMPARATIVE INFORMATION

There is no comparable interim period for the six months to 30 June 2010 as the immediately preceding annual reporting period of the consolidated entity was for the six months to 31 December 2010. Given that the results of the consolidated entity are not, in the opinion of the directors, cyclical or affected by seasonality, and to provide users with useful comparative information, the directors have included for comparative purposes the results of the consolidated entity for the six months ended 31 December 2010.

(A) BASIS OF PREPARATION

This financial report is denominated in United States Dollars, which is the functional currency of Centamin Egypt Limited. The Company is a kind referred to in ASIC Class Order 98/100 dated 10 July 1998 and in accordance with that Class Order, all financial information presented in United States Dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

The financial report comprises the consolidated financial report of Centamin Egypt Limited ("Company") and the entities it controlled at the end of, or during, the period (together, "the Consolidated Entity" or "Group").

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of A-IFRS 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 circumstance, 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.

Judgments made by management in the application of A-IFRS that have significant effects on the financial statements and estimates with a significant risk of material adjustments in the next year are disclosed, where applicable, in the relevant notes to the financial statements.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The following significant policies have been adopted in the preparation and presentation of the financial report:

(B) CASH AND CASH EQUIVALENTS

Cash comprises cash on hand and demand deposits. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

(C) FINANCIAL INSTRUMENTS

Debt and Equity Instruments

Debt and equity instruments are classified as either liabilities or as equity in accordance with the substance of the contractual arrangement. An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(D) EMPLOYEE BENEFITS

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, long service leave and sick leave when it is probable that settlement will be required and they are capable of being measured reliably.

Liabilities recognised in respect of employee benefits expected to be settled within 12 months, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement. Liabilities recognised in respect of employee benefits which are not expected to be settled within 12 months are measured as the present value of the estimated future cash flows to be made by the consolidated entity in respect of services provided by employees up to reporting date.

Superannuation

The Company contributes to, but does not participate in, compulsory superannuation funds on behalf of the Employees and Directors in respect of salaries and directors' fees paid. Contributions are charged against income as they are made.

(E) EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

Exploration and evaluation expenditures in relation to each separate area of interest, are recognised as an exploration and evaluation asset in the year in which they are incurred where the following conditions are satisfied:

- i) the rights to tenure of the area of interest are current; and
- ii) at least one of the following conditions is also met:
 - a) the exploration and evaluation expenditures are expected to be recouped through successful development and exploration of the area of interest, or alternatively, by its sale; or
 - b) exploration and evaluation activities in the area of interest have not at the reporting date reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in, or in relation to, the area of interest are continuing.

Exploration and evaluation assets are initially measured at cost and include acquisition of rights to explore, studies, exploration drilling, trenching and sampling and associated activities. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to operational activities in a particular area of interest.

Exploration and evaluation assets are assessed for impairment when facts and circumstances (as defined in AASB 6 "Exploration for and Evaluation of Mineral Resources") suggest that the carrying amount of exploration and evaluation assets may exceed its recoverable amount. The recoverable amount of the exploration and evaluation assets (or the cash-generating unit(s) to which it has been allocated, being no larger than the relevant area of interest) is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

Where a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment, reclassified to development properties, and then amortised over the life of the reserves associated with the area of interest once mining operations have commenced.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)**(E) EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE (cont.)**

Development expenditure is recognised at cost less accumulated amortisation and any impairment losses. When commercial production in an area of interest has commenced, the associated costs are amortised over the estimated economic life of the mine on a units of production basis.

Changes in factors such as estimates of proved and probable reserves that affect unit-of-production calculations are dealt with on a prospective basis.

(F) FINANCIAL ASSETS

Financial assets are recognised and derecognised on trade date where the purchase or sale of a financial asset is under a contract whose terms require delivery of the financial asset within the timeframe established by the market concerned, and are initially measured at fair value, net of transaction costs except for those financial assets classified as at fair value through the profit or loss which are initially measured at fair value.

Other financial assets are 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimate future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period.

Loans and receivables

Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest rate method less impairment.

Interest is recognised by applying the effective interest rate.

Impairment of financial assets

Financial assets, other than those at fair value through profit or loss, are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset the estimated future cash flows of the investment have been impacted. For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables where the carrying amount is reduced through the use of an allowance account. When a trade receivable is uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

With the exception of available-for-sale equity instruments, if, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through profit or loss to the extent the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

In respect of available-for-sale equity instruments, any subsequent increase in fair value after an impairment loss is recognised directly in equity.

(G) FOREIGN CURRENCY

The individual financial statements of each group entity are presented in its functional currency being the currency of the primary economic environment in which the entity operates. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in United States dollars, which is the functional currency of Centamin Egypt Limited and the presentation currency for the consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

(G) FOREIGN CURRENCY (cont.)

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the balance date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

(H) GOODS AND SERVICES TAX

Revenues, expenses and assets are recognised net of the amount of goods and services tax (GST), except:

- i. Where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or
- ii. For receivables and payables which are recognised inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operation cash flows.

(I) IMPAIRMENT OF ASSETS (OTHER THAN EXPLORATION AND EVALUATION AND FINANCIAL ASSETS)

At each reporting date, the consolidated entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the consolidated entity estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset for which the estimates of future flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. Each cash generated unit is determined on an area of interest basis.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years.

(J) INVENTORIES

Inventories are valued at the lower of cost and net realisable value. Costs including an appropriate portion of fixed and variable overhead expenses, are assigned to inventory on hand by the method appropriate to each particular class of inventory, with the majority being valued on a weighted average cost basis. Net realisable value represents the estimated selling price less all estimated costs of completion and costs necessary to make the sale.

Ore stockpiles, gold in circuit and bullion are valued applying absorption costing.

(K) JOINT VENTURE ARRANGEMENTS

Jointly controlled operations

Where the Group is a venturer (and so has joint control) in a jointly controlled operation, the Group recognises the assets that it controls and the liabilities that it incurs, along with the expenses that it incurs and the Group's share of the income that it earns from the sale of goods or services by the joint venture.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

(K) JOINT VENTURE ARRANGEMENTS (cont.)

Due to the nature and rights conferred to Pharaoh Gold Mines NL ("PGM") under the Concession Agreement, Sukari Gold Mines ("SGM") is wholly consolidated within the Centamin group of companies (refer to Accounting Policy (P)).

(L) LEASED ASSETS

Leased assets are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. All other leases are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where other systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

(M) PLANT AND EQUIPMENT

Plant and equipment is stated at cost less accumulated depreciation and impairment. Cost includes expenditure that is directly attributable to the acquisition of the item as well as the estimated cost of abandonment. In the event that settlement of all or part of the purchase consideration is deferred, cost is determined by discounting the amounts payable in the future to their present value as at the date of acquisition.

Depreciation is provided on plant and equipment. Fixed assets are calculated on a straight line basis so as to write off the net cost or other re-valued amount of each asset over its expected useful life to its estimated residual value.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, with the affect of any changes recognised on a prospective basis.

The following estimated useful lives are used in the calculation of depreciation:

Plant*	-	Life of Mine
Equipment & Office Equipment	-	4-10 years
Motor Vehicles	-	2 -8 years
Land & Buildings	-	4 - 20 years

* Plant includes the Crushing, Grinding, Milling and Extraction circuits including relevant support infrastructure.

(N) MINE DEVELOPMENT PROPERTIES

Where mining of a mineral resource has commenced, the accumulated costs are transferred to mine properties.

Amortisation is first charged to new mine development ventures from the date of first commercial production. Amortisation of mine properties is on a unit of production basis resulting in an amortisation charge proportional to the depletion of the proved and probable estimated economically recoverable ore reserves. The unit of production can be on a tonnes or an ounce depleted basis.

(O) REVENUE

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from the sale of mineral production is recognised when the Consolidated Entity has passed the risks and rewards of the mineral production to the buyer.

Pre-production revenues

Income derived by the entity prior to the date of commercial production (being 1 April 2010) was offset against the expenditure capitalised and carried in the Comparative Statement of Financial Position. All revenues recognised post 1 April 2010 are recognised in accordance with the revenue policy stated above. 1 April 2010 was selected as the commencement date of open pit commercial production due to the fact that sufficient, stable and sustained production capacity had been achieved as at that date. Underground commercial production commenced 1 May 2011 with the start of stoping operations.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

(O) REVENUE (cont.)

Production royalty

The Arab Republic of Egypt ("ARE") is entitled to a royalty of 3% of net sales revenue from the sale of gold and associated minerals from the Sukari mine. This royalty is calculated and recognised on receipt of the final certificate of analysis document received from the refinery. Due to its nature, the royalty is independent of, and not classified as, a cost of sales.

Interest revenue

Interest revenue is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Marketing Revenue

Pharaoh Gold Mines NL ("PGM") is entitled to a service fee for managing the process of marketing gold and associated minerals of the Sukari mine. This marketing fee is calculated and recognised monthly on receiving the certificate of analysis document from the refinery. Income derived from this service varies and is agreed periodically between Pharaoh Gold Mines NL and the Sukari Gold Mines board.

(P) 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), controlled entities and its subsidiaries as defined in Accounting Standard AASB 127 "Consolidated and Separate 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. Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

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

Additionally, as discussed under Note (K) above, Sukari Gold Mines ("SGM"), is jointly owned by Pharaoh Gold Mines NL ("PGM") and Egyptian Mineral Resource Authority ("EMRA") on a 50% equal basis. For accounting purposes, SGM is wholly consolidated within the Centamin group of companies, due to the nature and rights conferred to PGM under the Concession Agreement. PGM has the primary right to recoup the cost of capital invested to date from net revenues of SGM prior to any distribution of dividends (or profit sharing) between PGM and EMRA. Once PGM has fully recouped its cost of capital, net revenues will be distributed between PGM and EMRA on the basis set out above. The distribution of profits to EMRA will be shown as a charge to the profit and loss account of the consolidated Centamin group of companies.

(Q) SHARE-BASED PAYMENTS

Equity-settled share-based payments with employees and others providing similar services are measured at the fair value of the equity instrument at grant date. Fair value is measured by the use of the Black Scholes model. The fair value determined at the grant date of the equity-settled share-based payments is expensed over the vesting period, based on the consolidated entity's estimate of shares that will eventually vest.

Equity-settled share based transactions with other parties are measured at the fair value of the goods or services received, except where the fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counter party renders the service.

The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations. Further details on how the fair value of equity-settled share-based transactions has been determined can be found in Note 10. At each reporting date, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss over the remaining vesting period, with corresponding adjustment to the equity-settled employee benefits reserve.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

(R) TAXATION

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items that are recognised outside profit or loss (whether in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is included in the accounting for the business combination.

Tax Consolidation

The Company and all its wholly-owned Australian resident entities are part of a tax-consolidated group under Australian taxation law. Centamin Egypt Limited is the head entity in the tax-consolidated group. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the "separate taxpayer within group" approach. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and tax credits of the members of the tax-consolidated group are recognised by the company (as the head entity in the tax-consolidated group).

Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by the company and each member of the group in relation to the tax contribution amounts paid or payable between the parent entity and the other members of the tax-consolidated group in accordance with the arrangement. Where the tax contribution amount recognised by each member of the tax-consolidated group for a particular period is different to the aggregate of the current tax liability or asset and any deferred tax asset arising from unused tax losses and tax credits in respect of that period, the difference is recognised as a contribution to (or distribution to) equity participants.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

(S) RESTORATION AND REHABILITATION

A provision for restoration and rehabilitation is recognised when there is a present obligation as a result of exploration, development and production activities undertaken and the amount of the provision can be measured reliably. The estimated future obligations include the costs of dismantling and removal of facilities, restoration and monitoring of the affected areas. The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. Future restoration costs are reviewed annually and any changes in the estimate are reflected in the present value of the restoration provision at each reporting date.

The initial estimate of the restoration and rehabilitation provision relating to exploration, development and mining production activities is capitalised into the cost of the related asset and amortised on the same basis as the related asset, unless the present obligation arises from the production of the inventory in the period, in which case the amount is included in the cost of production for the period. Changes in the estimate of the provision of restoration and rehabilitation are treated in the same manner, except that the unwinding of the effect of discounting on the provision is recognised as a finance cost rather than being capitalised into the cost of the related asset.

(T) CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Critical Judgments in Applying the Entity's Accounting Policies

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:

(a) 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.

(b) Ore reserve estimates

Estimates of recoverable quantities of reserves include assumptions on commodity prices, exchange rates, discount rates and production costs for future cashflows. It also involves assessment and judgement of difficult 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 establishment 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 Statement of Comprehensive Income and the calculation of inventory.

(U) KEY SOURCES OF ESTIMATION UNCERTAINTY

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

(a) Recovery of Capitalised Exploration Evaluation and Establishment Expenditure

The Group capitalises exploration, evaluation and establishment expenditure incurred on ongoing projects. The recoverability of this capitalised exploration expenditure is entirely dependent upon returns from the successful establishment of mining operations or from surpluses from the sale of the projects or the subsidiary companies that control the projects. At the point that it is determined that any capitalised exploration expenditure is not recoverable, it is written off.

(V) NEW STANDARDS AND INTERPRETATIONS ADOPTED

The consolidated entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board that are relevant to their operations and are effective for the current financial reporting period beginning 1 July 2010.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

Significant new and revised standards and interpretations effective for the current financial reporting period that are relevant to the consolidated entity are:

- AASB 2009-5: Further Amendments to Australian Accounting Standards arising from the Annual Improvements Process;
- AASB 2009-8: Amendments to Australian Accounting Standards – Group Cash-settled Share-based Payment Transactions AASB 2.

(V) NEW STANDARDS AND INTERPRETATIONS ADOPTED (cont.)

- AASB 2009-10: Amendments to Australian Accounting Standards - Classification of Rights Issues;
- AASB 2010-3 Amendments to Australian Accounting Standards arising from the Annual Improvements Project;
- Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments.

(W) ACCOUNTING STANDARDS AND INTERPRETATIONS ISSUED BUT NOT YET EFFECTIVE

The following Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the consolidated entity for the year ended 30 June 2011.

Standard / Interpretation	Effective for annual reporting periods beginning/ending on or after	Expected to be applied by consolidated entity
AASB 124 Related Party Disclosures (2009) and AASB 2009-12 Amendments to Australian Accounting Standards	1 January 2011	30 June 2012
AASB 9: Financial Instruments, AASB 2009-11 Amendments to Australian Accounting Standards arising from AASB 9 and AASB 2010-9 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010)	1 January 2013	30 June 2014
AASB 2010-4 Further Amendments to Australian Accounting Standards arising from Annual Improvements Project	1 January 2011	30 June 2012
AASB 2010-5 Amendments to Australian Accounting Standards	1 January 2011	30 June 2012
AASB 2010-6 Amendments to Australian Accounting Standards – Disclosures on Transfers of Financial Assets	1 July 2011	30 June 2012
AASB 2010-8 Amendments to Australian Accounting Standards – Deferred Tax: Recovery of Underlying Assets'	1 January 2012	30 June 2013
AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements	1 July 2013	1 January 2014
AASB 2011-5 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation	1 July 2011	1 January 2012
AASB 2011-6 Amendments to Australian Accounting Standards – Extending Relief from Consolidation, the Equity Method and Proportionate Consolidation – Reduced Disclosure Requirements	1 July 2013	1 January 2014
IFRS 10 Consolidated Financial Statements	1 January 2013	1 January 2013
IFRS 11 Joint Arrangements	1 January 2013	1 January 2013
IFRS 12 Disclosure of Interests in Other Entities	1 January 2013	1 January 2013
IFRS 13 Fair Value Measurement	1 January 2013	1 January 2013

The impact of these recently issued or amended Standards and Interpretation have not been determined as yet by the consolidated entity.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

NOTE 2: SEGMENT REPORTING

The Consolidated Entity is engaged in the business of exploration and mining of precious and base metals only, which is characterised as one operating segment only. As the consolidated Entity has only one operating segment, all the necessary reporting disclosures are disclosed elsewhere in the notes to the financial statements.

NOTE 3: EVENTS SUBSEQUENT TO BALANCE DATE

On 11 July 2011, the Company announced an offer for Sheba Exploration (UK) Plc, a PLUS quoted company (PLUS:SHE), for the entire issued and to be issued share capital of the company. The offer is fully supported by the Sheba Board and is made on the basis of:

- o a cash payment of 3.0 pence per Sheba share and,
- o The number of ordinary shares in the capital of Centamin equal to the number of Sheba shares divided by 40.

The Offer was open for acceptance until 1pm on 01 August 2011. On 29 July 2011, the Company announced that the offer had been declared unconditional in all respects, with over 90% acceptances received. Further the Board announced that Centamin's recommended offer for the entire issued and to be issued share capital of Sheba Exploration (UK) Plc ("Sheba") closed at 11.00 a.m. (London time) on Monday, 8 August 2011 (the "Closing Time"). As at the Closing Time, valid acceptances of the Offer had been received in respect of 116,249,117 Sheba ordinary shares, representing approximately 95.64% of Sheba's issued ordinary share capital.

Centamin intends to exercise its rights pursuant to the provisions of Chapter 3 of Part 28 of the Companies Act 2006 to acquire compulsorily any remaining Sheba ordinary shares in respect of which acceptances have not been received on the same terms as the Offer. On 5 August 2011, Sheba announced its intention to withdraw the Sheba ordinary shares from, and to cancel the admission of the Sheba ordinary shares to, the PLUS-quoted Market, with effect from the close of business on Friday, 19 August 2011 (the "Delisting"). It is further intended that, following the Delisting and the completion of the statutory compulsory acquisition procedure, Centamin will procure that Sheba is re-registered as a private limited company in accordance with the provisions of the Companies Act 2006.

The consideration so far paid in respect of the acquisition amounts to approximately 95.64 per cent of the total consideration as illustrated in the table below. The remainder to be paid as and when the statutory sweep up is effected over a six week period from 19 August 2011.

	Number of shares	Price (GBP)	Cost/Value (GBP)
Shares Issued	2,906,216	1.359	3,949,548
Cash Payment	116,249,117	0.03	3,487,474
Total Consideration			7,437,021

No further information is available at the time of preparing this report.

NOTE 4: PROFIT FOR THE PERIOD

Profit for the financial period has been arrived at after crediting/(charging) the following revenues and expenses:

	Half Year ended	Six Months ended
	30 June 2010 US\$'000	31 December 2010 US\$'000
REVENUE		
(a) Revenue		
Gold sales	166,539	86,820
Silver sales	312	62
Interest revenue	554	321
	167,405	87,203

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

NOTE 4: PROFIT FOR THE PERIOD (cont.)

	Half Year ended 30 June 2010 US\$'000	Six Months ended 31 December 2010 US\$'000
DEPRECIATION AND AMORTISATION		
(a) Depreciation		
Cost of Sales	7,324	6,865
Administrative expenses	251	276
	7,575	7,141
(b) Amortisation – recognised in Cost of Sales		
Amortisation of mine properties	11,081	13,920
Provision for rehabilitation	44	91
	11,125	14,011

NOTE 5: EXPLORATION, EVALUATION AND DEVELOPMENT EXPENDITURE

	30 June 2010 US\$'000	31 December 2010 US\$'000
Exploration and evaluation phase expenditure - At Cost (a)		
Balance at the beginning of the period	45,112	38,714
Expenditure for the period	5,775	6,398
Balance at the end of the period	50,887	45,112
Mine Property development expenditure - At Cost (b)		
Balance at the beginning of the period	122,782	99,811
Expenditure for the financial period	60,634	40,953
Amortisation for the financial period	(11,081)	(13,920)
Transfers to Property, Plant & Equipment	(32,180)	(4,062)
Balance at the end of the period	140,155	122,782
Net book value of exploration, evaluation and mine development expenditure	191,042	167,894

(a) Included within the cost amount of exploration and evaluation expenditure is US\$5,311,744 being the excess of consideration over the net tangible assets acquired on the acquisition of Pharaoh Gold Mines NL in January 1999. This amount has been treated as part of the cost of exploration, evaluation and mine development. Management believe that the recovery of these amounts will satisfactorily be made through the exploitation of the project in due course.

(b) The Sukari Gold Mine has several planned phases of growth. Open pit waste removal, underground infrastructure development and process plant expansion activities are being separately accounted for as Mine property development expenditure.

NOTE 6: CONTINGENT LIABILITIES AND COMMITMENTS

The Directors are not aware of any contingent liabilities nor commitments as at the date of these interim consolidated financial statements.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

NOTE 7: ISSUED CAPITAL

	Half Year ended 30 June 2011 US\$'000	Six Months ended 31 December 2010 US\$'000
Fully paid ordinary shares		
Balance at beginning of the period	600,500	465,096
Issue of shares upon exercise of options and warrants	551	2,382
Transfer from share options reserve	137	906
Other placements	-	136,549
Share issue costs	(119)	(4,433)
Tax effect on share issue costs	-	-
Balance at end of the period	601,069	600,500

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to share capital from 1 July 1998. Therefore, the Company does not have a limited amount of authorised capital and issued shares do not have a par value. Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Fully Paid Ordinary Shares

	Number of Shares	US\$'000
Balance at beginning of the period	1,081,946,250	600,500
Issue of shares on exercise of options	345,000	569
Issue of shares under the Company's Loan Funded Share Plans	9,567,500	-
Other Placement (net of share issue costs)	-	-
Balance at end of the period	1,091,858,750	601,069

Share options granted under the employee share option plan

In accordance with the provisions of the employee share option plan, as at 30 June 2011, executives and employees have options over 2,630,150 ordinary shares. Share options granted under the employee share option plan carry no rights to dividends and no voting rights. In addition 9,567,500 shares have been issued under the Employee Loan Funded Share Plan. These shares are treated as treasury shares and are not included in the earning per share calculation. Further details of the employee share option plan and the Employee Loan Funded Share Plan are contained in Note 10 to the financial statements.

NOTE 8: RELATED PARTY TRANSACTIONS

The related party transactions for the six months ended 30 June 2011 are summarised below:

- Salaries, superannuation contributions, consulting and Directors fees paid to Directors during the six months ended 30 June 2011 amounted to A\$ 1,187,961 or US\$ 1,240,792 (31 December 2010 A\$ 2,578,259 or US\$ 2,502,291).
- Mr J El-Raghy is a Director and shareholder of El-Raghy Kriewaldt Pty Ltd ("ELK"), which provides office premises to the Company in Australia. All dealings with ELK are in the ordinary course of business and on normal terms and conditions. Rent paid to ELK during the six months ended 30 June 2011 amounted to A\$ 32,547 or US\$ 33,927 (31 December 2010: A\$ 33,480 or US\$ 31,983).
- Mr C Cowden, a Non Executive Director until his resignation on 26 May 2011, is also a director and shareholder of Cowden Limited, which provides insurance broking services to the Company. All dealings with Cowden Limited are on normal terms and conditions. Cowden Limited was paid A\$2,293 or US\$ 2,397 during the six months ended 30 June 2011 (31 December 2010: A\$ 32,873 or US\$ 31,661), with A\$ 11,815 or US\$ 12,349 paid to Cowden Limited to be passed on to underwriters for premiums during the six months ended 30 June 2011 (31 December 2010: A\$ 220,687 or US\$ 212,548).
- In accordance with the terms of the Loan Funded Share Plan approved at a general meeting of shareholders on 15 February 2011, Mr Josef El-Raghy, Mr Harry Michael and Mr Trevor Schultz were awarded 1,000,000 shares each under the Executive Director Loan Funded Share Plan. The terms and conditions associated with the Executive Directors Loan Funded Share Plan are disclosed in the Notice of Meeting dated 24 December 2010 and are available on the Company's website.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

NOTE 9: EARNINGS PER SHARE

Basic earnings per share are calculated using the weighted average number of shares outstanding. Diluted earnings per share are calculated using the treasury stock method. In order to determine diluted earnings per share, the treasury stock method assumes that any proceeds from the exercise of dilutive stock options and warrants would be used to repurchase common shares at the average market price during the period, with the incremental number of shares being included in the denominator of the diluted earnings per share calculation. The diluted earnings per share calculation exclude any potential conversion of options and warrants that would increase earnings per share.

The weighted average number of ordinary shares used in the calculation of basic earnings per share is 1,082,070,974 (31 December 2010: 1,034,672,993). The weighted average number of ordinary shares used in the calculation of diluted earnings per share is 1,083,410,599 (31 December 2010: 1,035,850,664). The earnings used in the calculation of basic and diluted earnings per share is a profit of US\$104,316k (31 December 2010: US\$32,042k).

NOTE 10: SHARE BASED PAYMENTS

The consolidated entity had an Employee Share Option Plan (ESOP) as well as an Executive Director Loan Funded Share Plan (EDLFSP) and an Employee Loan Funded Share Plan (ELFSP) in place for executives and employees.

(10a) Employee Share Option Plan

Options were issued to key management personnel under the Employee Option Plan 2006 (previously the Employee Option Plan 2002) as part of their remuneration. Options were offered to key management personnel at the discretion of the Directors, having regard, among other things, to the length of service with the consolidated entity, the past and potential contribution of the person to the consolidated entity and in some cases, performance.

Each employee share option converts into one ordinary share of the Company on exercise. The options carry neither rights to dividends nor voting rights. Options vest over a period of 12 months, with 50% vesting and exercisable after six months and the other 50% vesting and exercisable after 12 months of issue. All options are issued with a term of three years. At the discretion of the Directors part or all of the options issued to an executive or employee may be subject to performance based hurdles. No performance based hurdles have been applied for issues granted to date.

In addition to the above 1,630,150 options (Series 18) were issued pursuant with the agreement with Macquarie Bank Limited to provide a corporate loan facility of up to US\$25 million (as announced on 02 April 2009). Those options were exercisable any time on or before 31 December 2012. No Series 18 options have been exercised at the date of this report.

The following reconciles the outstanding share options granted under the Employee Option Plan, and other share based payment arrangements but does not include the Loan Funded Share Plan (10b), at the beginning and end of the financial period:

	Half Year ended 30 June 2011 Number of Options	Six Months ended 31 December 2010 Number of Options
Balance at beginning of the period (a)	3,325,150	4,950,150
Granted during the period (b)	-	-
Exercised during the period (c)	(345,000)	(1,625,000)
Forfeited, expired or lapsed during the period (d)	(350,000)	-
Balance at the end of the period (e)	2,630,150	3,325,150
Exercisable at the end of the period	2,630,150	3,325,150

a) Balance at the beginning of the period

Options series	Number	Grant date	Expiry / Exercise Date	Exercise price A\$	Fair value at grant date A\$	Fair value at grant date US\$
Series 13	220,000	16-Apr-08	16-Apr-11	1.7022	0.4015	0.3763
Series 14	125,000	25-Aug-08	25-Aug-11	1.1999	0.3070	0.2656
Series 17	1,000,000	19-Dec-08	19-Dec-11	1.0000	0.3568	0.2425
Series 18	1,630,150	15-Apr-09	31-Dec-12	1.2000	0.4326	0.3129
Series 19	350,000	06-Aug-09	06-Aug-12	1.8658	0.7960	0.6671
	3,325,150					

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)**b) Granted during the period**

There were no options granted during the period.

c) Exercised during the period

Options series	Number exercised	Exercise Date	Share price at exercise date C\$
Series 13	10,000	27-Jan-11	2.1000
	10,000	14-Mar-11	2.0600
	100,000	07-Apr-11	2.2800
	100,000	08-Apr-11	2.4000
Series 14	125,000	10-Jun-11	1.8500
	345,000		

d) Forfeited, expired or lapsed during the period

Options series	Number forfeited	Forfeit date	Share price at forfeit date C\$
Series 19	350,000	15-Jun-11	1.8500
	350,000		

e) Balance at the end of the period

Options series	Number	Grant date	Expiry / Exercise Date	Exercise price A\$	Fair value at grant date A\$	Fair value at grant date US\$
Series 17	1,000,000	19-Dec-08	19-Dec-11	1.0000	0.3568	0.2425
Series 18	1,630,150	15-Apr-09	31-Dec-12	1.2000	0.4326	0.3129
	2,630,150					

(10b) Loan Funded Share Plans

Shares were issued to Executive Directors under the EDFSP 2011 and Employees under the ELFSP as part of their remuneration package.

Under the terms of the EDFSP and ELFSP, the Company has provided a limited recourse and interest free loan to certain employees of the Company for the purpose of acquiring the New Shares (the "Loan"). The purchase of the shares have been funded by the Loan and the shares will not vest until certain performance conditions are met. In the event the performance conditions are not met, or the shares are forfeited by the participant, the Company can either re-acquire the shares or direct the trustee to sell them on, offsetting the proceeds against the outstanding loan amount and waiving the remainder of the loan. Subject to performance conditions and time based hurdles being met, the loan will be repayable by the relevant employee in full on the earlier of the termination date of the loan (3 years from the date of issue) or the date on which the shares are disposed of.

Further details of the EDFSP and ELFSP can be found in the Company's Annual Report or Notice of General Meeting for the shareholder meeting held on Tuesday, 15 February 2011, and full copies of the plan are available upon request.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

The following reconciles the outstanding share options granted under the EDFSP and ELFSP at the beginning and end of the financial period:

	Half Year ended 30 June 2011 Number of shares	Six Months ended 31 December 2010 Number of shares
Balance at beginning of the period (a)	-	-
Granted during the period (b)	9,567,500	-
Exercised during the period (c)	-	-
Forfeited (expired or lapsed) during the period (d)	(627,500)	-
Balance at the end of the period (e)	8,940,000	-
Exercisable at the end of the period	-	-

a) Balance at the start of the period

There were no shares on issue at the beginning of the period.

b) Issued during the period

Share series	Number	Grant date	Expiry / Exercise Date	Exercise price GBP	Fair value at grant date GBP	Fair value at grant date US\$
Series 21	3,000,000	21-Mar-11	21-Mar-14	1.2585	0.6843	1.1108
Series 22	275,000	21-Mar-11	21-Mar-12	1.2595	0.4741	0.7696
Series 23	275,000	21-Mar-11	21-Mar-13	1.2595	0.5628	0.9135
Series 24	275,000	21-Mar-11	21-Mar-14	1.2595	0.5629	0.9137
Series 25	4,917,500	21-Mar-11	21-Mar-14	1.2595	0.7542	1.2242
Series 26	225,000	21-Jun-11	21-Jun-14	1.1710	0.7542	1.2193
Series 27	600,000	21-Jun-11	21-Jun-14	1.1710	0.5628	0.9099
	9,567,500					

c) Exercised during the period

There were no shares exercised during the period.

d) Forfeited (expired or lapsed) during the period

Options series	Number exercised	Lapsed Date	Share price at lapse date GBP
Series 22	200,000	17-May-11	1.1580
Series 23	200,000	17-May-11	1.1580
Series 24	200,000	17-May-11	1.1580
Series 25	27,500	17-May-11	1.1580
	627,500		

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (cont.)

e) Balance at the end of the period

Options series	Number	Grant date	Expiry / Exercise Date	Exercise price GBP	Fair value at grant date GBP	Fair value at grant date US\$
Series 21	3,000,000	21-Mar-11	21-Mar-14	1.2585	0.6843	1.1108
Series 22	75,000	21-Mar-11	21-Mar-12	1.2595	0.4741	0.7696
Series 23	75,000	21-Mar-11	21-Mar-13	1.2595	0.5628	0.9135
Series 24	75,000	21-Mar-11	21-Mar-14	1.2595	0.5629	0.9137
Series 25	4,890,000	21-Mar-11	21-Mar-14	1.2595	0.7542	1.2242
Series 26	225,000	21-Jun-11	21-Jun-14	1.1710	0.7542	1.2193
Series 27	600,000	21-Jun-11	21-Jun-14	1.1710	0.5628	0.9099
	8,940,000					