For immediate release 24 March 2014

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

2013 Annual Results

HIGHLIGHTS FOR THE YEAR (1) (2)

Centamin remains in a robust position to continue delivering on its track record of production growth and solid cash flow generation during 2014 and beyond, as demonstrated by the following highlights:

- Full year production was 356,943, a 36% increase on 2012 and above guidance of 320,000 ounces.
- Cash costs of production of US$663 per ounce (2012: $669 per ounce).
- Record EBITDA of US$234.2 million, up 1% on the prior year.
- Basic earnings per share 16.87 cents, down 8% on prior year.
- Stage 4 plant expansion (to nameplate capacity of 10Mtpa) expenditure at the year end was US$327.8 million of the reforecast cost of US$331.2 million, including contingency.
- Centamin remains debt-free and un-hedged with cash, bullion on hand, gold sales receivable and available-for-sale financial assets of US$142.5 million as at 31 December 2013.

Centamin delivered strong operational and financial results in 2013, producing 356,943 ounces of gold (2012: 262,828 ounces) and generating profit after tax for the year of US$184.0 million (2012: US$199.0 million). Centamin has continued to return strong earnings and cash flow generation despite the weaker gold price environment, owing to the Group's emphasis on maximising productivity and maintaining rigorous cost control. Now in its fifth year of production, the Sukari Gold Mine remains highly cash generative, with EBITDA of US$234.2 million (2012: US$233.3 million). Centamin has a robust cash and cash equivalents balance of US$106.0 million (2012: US$147.1 million) as at 31 December 2013.

2013 saw the Sukari operation performing well across all areas. Most notably, the processing plant operated consistently at c.15% above nameplate capacity and the output from the underground mine continued to rise quarter-on-quarter to end the year at levels significantly above original expectations. The completion of construction of the Stage 4 plant expansion, which is currently under commissioning, sets the stage for the next step-up in production towards Sukari's long-term target of 450-500,000 ounces per annum from 2015 onwards.

An updated resource and reserve statement for Sukari was announced on 18 December 2013, with the total Measured and Indicated resource containing 13.4 million ounces (Moz) and the total reserve containing 8.2Moz. This takes into account the latest drill results, higher cost environment and the timing of the Stage 4 commissioning. The underground reserve of 2.30 million tonnes (Mt) represented a 120% increase on the December 2011 reserve, despite mining depletion. We remain confident of further significant reserve expansion, with the 0.52Mt Proven component of this reserve showing a grade of 11.4g/t gold, and continued positive results from on-going drilling into the target high-grade extensions.

The Company progressed its medium and long-term growth strategy during 2013. In September, Centamin entered into a joint venture with AIM-listed Alecto Minerals over their exploration projects in Ethiopia, thus expanding the Company's presence in this important region of focus. A recommended all-share takeover offer for ASX-listed Ampella Mining Ltd, valued at A$40.9 million, was announced on 10 December 2013. This takeover provides Centamin with an extensive licence holding over a highly prospective and underexplored 100km+ trend of gold

mineralization in Burkina Faso. Centamin will implement a systematic exploration programme, aimed at developing the potential for further substantial growth of the existing 3.25Moz resource base, being 1.92Moz Indicated and 1.33Moz Inferred.

The Company continues to hold equity interests in Nyota Minerals Limited and Sahar Minerals Limited, however, these investments have been impaired during the year to reflect their fair value.

The Supreme Administrative Court appeal and Diesel Fuel Oil ("DFO") Court Case are both ongoing. Operations continue as normal and any enforcement of the Administrative Court decision has been suspended pending the appeal ruling. We remain confident that a satisfactory outcome will ultimately be achieved in both cases.

With respect to the DFO case, management recognises the practical difficulties associated with re-claiming funds from the government and, for this reason, has fully provided against the cumulative prepayment of US$97.0 million as an exceptional item (refer to Note 6 to the Financial Statements). In the meantime the Group is continuing to pay international prices for DFO.

(1) Cash cost of Production, EBITDA and cash, bullion on hand and available-for-sale financial assets are non-GAAP measures.
(2) Basic EPS, EBITDA, Cash costs of Production reported includes an exceptional provision against prepayments to reflect the removal of fuel subsidies which occurred in January 2012 (refer to Note 6 of the Financial Statements for further details). The provision had no further impact on the 2012 and 2013 results other than previously reported.

Centamin will host a conference call on Monday, 24 March 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.

From UK: 0808 237 0040 Canada: +1 866 404 5783 Rest of world: +44 203 428 1542

Participant pass code: 93268020#

Targets for 2014

Key targets for 2014 include the commissioning of the Stage 4 plant, the conclusion of the Sukari project investment phase and the significant reduction of our annual capital expenditure requirements for the mine.

For the year 2014, we forecast production of 420,000 ounces at a cash operating cost of US$700 per ounce, which will mark the fourth year of successive growth in output from Sukari, and another step on the way to our long-term target for the project of 450-500,000 ounces per annum from 2015 onwards at an industry-competitive cost of production. The key drivers of production growth this year will be an increase of the underground ore tonnes mined to 800,000t, as well as commissioning and ramp-up of the Stage 4 plant expansion to double the processing plant's nameplate capacity to 10 Mtpa.

As part of the implementation of Stage 4, the Company is in discussion with EMRA and other government departments in relation to increasing the daily usage of ammonium nitrate ("AN") in order to increase open pit mining rates to the required level to feed the expanded plant. The increase in the daily issue of AN is still outstanding and this has had an impact on the movement of waste material compared to the current mining plan. However from recent meetings with the relevant authorities, management believe government approval is now in its final stages.

The capital expenditure programme for 2013 had two key focus areas: completion of the Stage 4 plant expansion and the on-going development of the underground mine. The total Stage 4 capital expenditure estimate is US$331.2 million including contingency, with US$327.8m spent by the end of 2013. The remaining capital expenditure is due in early 2014. The underground expansion will continue through 2014 as will the underground exploration drilling to test the potential for significant resource and reserve expansion and the development of

multiple production sources.

Based on the Company's calculation there was no 'Net Profit Share' due to EMRA as at 30 June 2013, nor is any likely to be due as at 30 June 2014. It is expected that there will be profit share due to EMRA for the Sukari Gold Mine ("SGM") financial year ending 30 June 2015, based on budgeted production, gold price and operating expense forecasts. Centamin has elected to make advance payments against future profit share during 2013 to the value of US$18.95 million, in order to demonstrate goodwill towards the Egyptian government.

Centamin's exploration programme in Ethiopia will prioritise progression of the two licences under the joint venture with Alecto Mining plc. The acquisition of Ampella Mining Ltd is expected to be completed in early 2014, and Centamin will focus on implementing a systematic exploration programme in Burkina Faso and Côte d'Ivoire.

Chairman Statement

Dear Shareholders

During 2013, the fourth full year of production at Sukari, your company built further on its track record, delivering against targets, whilst maintaining a strong control over its cost base. Sukari delivered a record 356,943 ounces of gold at a cash cost of production of US$663 per ounce, which was ahead of guidance of 320,000 ounces at US$700 per ounce set out in the first quarter of the year. The operating environment in Egypt improved markedly in comparison with a challenging 2012. I once again take this opportunity to extend my congratulations to the team in Egypt for their professionalism, hard work and consistent focus on improving productivity, which has resulted in another year of exceptional performance for the operation. Shareholders should not underestimate these efforts, which allow Centamin to stand out in a sector which generally suffers a reputation of missed forecasts and broken promises.

Sukari's safety performance was also a significant improvement on the previous year with a lost time injury frequency rate of 0.36 (0.69 in 2012) per 200,000 man-hours achieved during the period. It was again pleasing to note that no significant environmental incidents have taken place.

Construction of the Stage 4 expansion to double the processing plant's nameplate capacity to 10 million tonnes per annum was complete by the end of 2013, and commissioning is currently underway. This major two-and-a-half year expansion project has been completed with minimal cost and timing overruns. This would represent a major achievement in itself, but is all the more notable given the various external challenges that were faced, particularly during the early stages of construction. The capital cost estimate of the Stage 4 expansion is US$331.2 million including contingency, with expenditure at the end of 2013 of US$327.8 million.

Commissioning and optimisation of the expanded plant is now a key deliverable as Sukari looks towards a further year of growth in 2014, with our annual production guidance set at 420,000 ounces at a cash cost of US$700 per ounce. Thereafter, we continue to forecast a sustainable output of 450,000 - 500,000 ounces per annum from 2015 onwards, with scope to exceed the upper limit once the new plant is fully optimised and operating at above-nameplate levels of productivity, as demonstrated by the existing plant during 2013.

Sukari is a long-life asset which is supported by a globally significant resource and reserve base. An updated resource and reserve statement was announced at the end of the year, with total resources containing 15.4 million ounces (Moz) and reserves containing 8.2Moz of gold. With the underground mine continuing to ramp-up in productivity and being a key driver of our substantial and low cost production profile, it was of particular encouragement to see the underground reserve increase in tonnage by 120% over the previous 2011 estimate, despite mining depletion during that period. With grades in the Proven category of 11.4g/t gold, and with continued good results from on-going drilling into the target high-grade depth extensions of the ore body, we remain confident of further significant underground reserve expansion and longevity of the operation.

As previously indicated to shareholders, the Company significantly progressed its medium and long-term growth strategy during 2013. In September, Centamin entered into a joint venture with AIM-listed Alecto Minerals over their exploration projects in Ethiopia, thus expanding our presence in this important region of focus for the Company. The announcement in December of a recommended all-share takeover offer of ASX-listed Ampella Mining Ltd, valuing the company at AU$40.9m, saw the Company expand its interests into West Africa. This offer represented a compelling opportunity to acquire an undervalued suite of exploration-stage licences in highly

prospective regions of Burkina Faso and Côte d'Ivoire. Centamin now has a controlling interest in Ampella and is looking forward to implementing a systematic exploration programme in 2014, aimed at developing the outstanding potential for further significant growth of the existing resource base.

Our financial position remains strong with approximately US$142.5 million held in cash, bullion on hand, gold sales receivables and available-for-sale financial assets. The Company also continues to be debt free with no hedging arrangements. Revenues of US$503.8 million and EBITDA of US$234.2 million in 2013 (including exceptional items) continue to demonstrate that Sukari remains a highly cash generative operation. With the major Stage 4 capital programme now behind us, and therefore the staged expansionary 'investment phase' nearing completion, shareholders can now look forward to a long-life operation which will now start to generate substantial free cash flow. Accordingly, during the course of 2014 Centamin will make clear its intentions with regard to a policy for returning capital to its shareholders.

Our appeal against the 30 October 2012 ruling by the Egyptian Administrative Court, on the validity of the exploitation lease, remains on-going. We believe the action is misconceived as we have clear evidence that there is a valid exploitation lease in existence. Important progress was made in March 2013 when the Supreme Administrative Court approved our application to suspend enforcement of the October 2012 ruling until the conclusion of the appeal process. Furthermore, the statement by the court at this hearing that the original ruling "was likely to be cancelled upon the issuance of a judgment on the merits of the case" supports our full confidence in our legal title and the strength of our appeal case. We continue to benefit from the full support of the Ministry of Petroleum and the Egyptian Mineral Resource Authority (EMRA), both in the appeal and at the operational level, to whom I would like to extend our thanks for their continued co-operation in helping us to deliver a world class mining operation. We look forward to continuing to share the benefits of this substantial investment as the operation emerges from its initial period of construction and thus sets the stage for a new era of gold mining in Egypt.

This year, the Chairman of the Corporate Governance Committee has presented the Corporate Governance Report. As Chairman of the Board I agree and endorse both this report and the values of good governance reflected in it. In my view Board effectiveness has been achieved, in no small part, by ensuring that communication channels are open between all Board members and regular information is presented to the Board allowing all members to contribute knowledgeably at Board meetings and in discussions between the executives and non-executive directors.

I would like to close by thanking all those at Sukari, in Alexandria, Ethiopia, Jersey and Perth for their efforts in 2013 as Centamin continued on its journey to becoming an established gold producer.

Your company remains well positioned to deliver outstanding shareholder returns in the coming years. I look forward to updating you further over the course of 2014, and would welcome you to join us at our AGM which this year will be held in Jersey on 16 May 2014.

Josef El-Raghy
Chairman

OPERATIONAL REVIEW

Production

Sukari Gold Mine production summary:

		Year ended 31 Dec 2013	Q4 2013	Q3 2013	Q2 2013	Q1 2013	Year ended 31 Dec 2012	Q4 2012
Ore Mined – Open Pit[1]	('000t)	11,664	3,161	3,409	2,961	2,133	6,377	1,905
Ore Grade Mined – Open Pit	(Au g/t)	0.81	0.77	0.73	0.84	1.00	1.04	1.15
Ore Grade Milled – Open Pit	(Au g/t)	1.25	1.27	1.15	1.28	1.32	1.35	1.56
Total Open Pit Material Mined	('000t)	41,718	9,642	10,506	11,020	10,550	25,108	6,740
Strip Ratio	(waste/ore)	2.6	2.1	2.1	2.7	3.9	2.9	2.5
Ore Mined – Underground	('000t)	304	87	78	73	66	203	63
Ore Mined - Underground Stopes	('000t)	283	87	74	69	53	190	49
Ore Grade Mined – Underground	(Au g/t)	9.66	8.25	9.75	10.99	10.02	8.96	9.76
Ore Processed	('000t)	5,684	1,400	1,463	1,419	1,402	4,526	1,233
Head Grade	(g/t)	2.12	2.13	2.03	2.28	2.03	2.04	2.31
Gold Recovery	(%)	88.6	89.9	85.7	90.2	88.4	86.0	87.7
Gold Produced - Dump Leach	(oz)	12,382	3,804	1,988	2,222	4,368	6,686	1,848
Gold Produced - Total[2]	(oz)	356,943	91,546	84,757	93,624	87,016	262,828	85,413
Cash Costs of Production[3] [4]	(US$/oz)	663	711	693	690	556	669	558
Open Pit Mining	(US$/oz)	271	291	301	339	148	199	163
Underground Mining	(US$/oz)	44	50	46	42	36	49	43
Processing	(US$/oz)	297	293	292	286	320	354	281
G&A	(US$/oz)	51	77	54	23	52	67	71
Gold Sold	(oz)	363,576	88,856	90,341	98,325	86,054	254,959	82,316
Average Realised Sales Price	(US$/oz)	1,384	1,249	1,329	1,364	1,604	1,667	1,697

Notes:-

(1) Ore mined includes 1,015kt and 0.45g/t delivered to the dump leach in Q4 2013 (1,412kt @ 0.39g/t in Q3 2013, 1,092kt @ 0.37g/t in Q2 2013, 378kt @0.42 g/t in Q1 2013, 0kt in Q4 2012, 11kt @ 0.48g/t in Q3 2012; 104kt @ 0.50g/t in Q2 2012 and 264kt @ 0.42g/t in Q1 2012). Gold produced is gold poured and does not include gold-in-circuit at period end. Cash operating costs exclude royalties, exploration and corporate administration expenditure.

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

(3) Cash costs exclude royalties, exploration and corporate administration expenditure. Cash cost is a non-GAAP financial performance measure with no standard meaning under GAAP.

(4) Cash costs of Production reflect an exceptional provision against prepayments to reflect the removal of fuel subsidies which occurred in January 2012 (refer to Notes 3 and 6 respectively of the Financial Statements for further details).

Centamin produced 356,943 ounces of gold in 2013, which is a 36% increase on 262,828 ounces in 2012. The higher year-on-year production was a result of: (a) a 27% increase in tonnes milled (to 5.7Mt) due to the improved plant productivity and availability, (b) an 50% increase in production from the underground due to improved underground mining contractor equipment availability, and (c) a 4% higher feed grade to the mills (2.12g/t in 2013 compared to 2.04g/t in 2012) as underground productivity and head grades increased.

Open Pit

The open pit delivered total material movement of 41,718kt for the year, an increase of 66% on the prior year. The increase in total material movement was related to increase in the mining fleet capacity during the year. Additional mining equipment will continue to be delivered during the first half of 2014.

As part of the implementation of Stage 4, the Company is in discussion with EMRA and other government departments in relation to increasing the daily usage of ammonium nitrate ("AN") in order to increase open pit mining rates to the required level to feed the expanded plant. The increase in the daily issue of AN is still outstanding and this has had an impact on the movement of waste material compared to the current mining plan. However from recent meetings with the relevant authorities, we believe government approval is now in its final stages.

Ore production from the open pit was 11.7Mt at 0.81g/t with an average head grade fed to the plant of 1.25g/t. The ROM ore stockpile balance increased by 1kt to 1.8kt by the end of the year. Mining was primarily from the Stage 3 area, in the Stage 2 area mining continued to the 950RL and development work progressed in the Gazelle and Eastern Hills area to the 1100RL.

Underground Mine

Ore production from the underground mine was 587kt. The ratio of ore from stoping versus development remained consistent year on year, with 52% of development ore (304kt) and 48% of stoping ore (283kt). Ore production from stoping and development was in line with forecasts. Development and stoping requirements were increased in the second half of 2013.

A total of 11,620 metres of diamond drilling was completed for both short-term stope definition and underground resource development. During the year 3,786m of development were driven through ore. The project development total to date is 15,766m, of which 9,200m were through ore.

As part of the development of the Ptah area, the first crosscut to access the 845, 860, 875 and 890 levels has been completed. Three exploration drill cubbies have been established where drilling is actively taking place. Ore drives have been developed on the Ptah 875 level and the exhaust system was extended to the 875 level crosscut.

Processing

The annual throughput in the Sukari plant was 5.7Mt in 2013, a 27% increase on 2012 (4.5Mt). Productivity of the processing plant averaged 700tph for the year, 12% above the nameplate design rate of 625tph, as the operations team continued to optimise availability and throughput.

Plant metallurgical recoveries were 88.6% in the year, a 2.6% increase on 2012. Continued optimisation of operational controls and improved circuit stability resulted in the recovery steadily increasing throughout the year. Whilst operational improvements are being made, recoveries are expected to remain consistent until the new carbon regeneration kiln is commissioned in 2014.

The dump leach operation produced 12,382oz in 2013, an 86% increase from 2012.

STAGE 4 EXPANSION

Construction continued on Stage 4 of the process plant expansion, which commenced in late 2011 and will expand Sukari nameplate capacity from 5Mtpa to 10Mtpa. The estimated capital cost of the Stage 4 expansion, which is funded by PGM out of cost recoveries, is US$331.2 million including contingency, with expenditure to date of US$327.8 million.

Main Plant

The processing plant was 97% completed at the end of December. Electrical instrumentation and piping work remained outstanding at the end of the period. Commissioning of the new conveyor to the COSP took place in December together with direction testing of various motors and pumps.

Power Station

The new Wartsila plant has been completed, and was handed over to Operations in October.

Sea Water Pipeline

The seawater pipeline was completed in December and handed over to operations.

Tailings Storage Facility

Construction of the facility is 100% complete and the TSF is in operation.

New Primary Crusher

The new primary crusher was 90% complete and the end of December and final completion is expected at the end of March 2014. The primary crusher shells and liners are installed and work is progressing on the electrical and lubrication systems.

Capital Expenditure

A breakdown of the major cost areas up to 31 December 2013 is as follows:

• Mining Equipment	US$ 53.7 million
• Processing Plant	US$ 174.9 million
• Power Plant	US$ 39.2 million
• Other	US$ 60.0 million
	US$ 327.8 million

Major contributors to the payments made in 2013 were as follows:

• Mining Equipment	US$ 18.8 million
• Processing Plant	US$ 59.4 million
• Power Plant	US$ nil
• Other	US$ 21.1 million
	US$ 99.3 million

EXPLORATION UPDATE

Sukari Hill

Centamin has resources (as of 30 July 2013) of 13.4 million ounces Measured and Indicated, and 1.9 million ounces Inferred, and reserves (as of 30 September 2013) of 8.2 million ounces. Underground drilling continued to be stepped-up during the year as new development provided improved access from below surface to test potential high grade extensions of the deposit. Underground drilling is utilising 4 Longyear LM90 rigs. These rigs have been located in the Ptah decline, drilling east through both the eastern and western contact of the porphyry and in the Amun area, drilling outwards east and west from the within the porphyry. The ore body has neither yet been closed off by drilling to the north, nor at depth. Further exploration of the Sukari deposit will take place during 2014, predominantly from positions within the porphyry in both the Amun and Ptah areas.

Regional Exploration

Reverse circulation and diamond drilling programmes have been underway on the Quartz Ridge, V-Shear and Kurdeman prospects to the east, north-east and south of the hill respectively during 2013. On-going drilling to the south at the Kurdeman prospect offers the potential to fast-track near surface high grade ore to supplement the existing production. Further regional drilling of the Sukari licence is planned for 2014.

Growth Beyond Sukari

Centamin continued exploration on its four tenements in northern Ethiopia where drilling has confirmed the presence of low grade mineralisation.

In September 2013 Centamin entered into a joint venture with Alecto Minerals plc to pursue existing and new opportunities identified by Alecto in Ethiopia. The initial joint venture projects relate to two exploration licences Wayu Boda and Aysid Meketel where exploration activities have now commenced.

A recommended all-share takeover offer for ASX-listed Ampella Mining Ltd, was announced on 10 December 2013. This takeover provides Centamin with an extensive licence holding over a highly prospective and underexplored +100km trend of gold mineralization in Burkina Faso, as well as further exploration properties in Côte d'Ivoire. Centamin will implement a systematic exploration programme, aimed at developing the outstanding potential for further significant growth of the existing resource base.

SELECTED ANNUAL FINANCIAL INFORMATION

The following table, which is reflective of an exceptional provision against prepayments recorded in Q4 to reflect the removal of fuel subsidies which occurred in January 2012 (refer to Note 6 of the Financial Statements), provides a guide to a summary of the financial results of the Group's operation for the years ended 31 December 2013, 2012 and 2011:

Summary of Financial Performance

		2013 [(1)]	**2012** [(2)]	**2011***	**2013 vs 2012**	**2013 vs 2012**	**2012 vs 2011**	**2012 vs 2011**
Revenue	US$'000	503,825	426,133	340,479	77,692	19%	85,654	25%
Profit before tax	US$'000	183,969	198,594	193,993	(14,625)	(8%)	4,601	2%
Basic EPS (cps) [(3)]	Cents	16.87	18.27	17.90	(1.40)	(8%)	0.37	2%
Diluted EPS (cps) [(3)]	Cents	16.77	18.26	17.88	(1.49)	(9%)	0.38	2%
EBITDA [(4)]	US$'000	234,167	233,333	211,347	834	1%	21,986	10%
Total assets	US$'000	1,298,727	1,084,956	846,572	213,771	20%	238,384	28%
Non -current liabilities	US$'000	7,638	5,544	2,630	2,094	38%	2,914	111%
Cash Dividend declared	Cents	-	-	-	-	-	-	-

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

(2) Results reflect an exceptional provision against prepayments recorded in Q4 2012 to reflect the removal of fuel subsidies which occurred in January 2012, refer to Note 6 of the Financial Statements for further details. The provision had no impact on the 2011 results.

(3) Calculated using weighted average number of shares outstanding under the basic method.

(4) EBITDA is a non-GAAP financial performance measure with no standard meaning under IFRS. For further information and a detailed reconciliation, see "Non-GAAP Financial Measures" section below.

** The Group changed its accounting policy on production-phase stripping costs with effect from 1 January 2012. As a result, the 2011 results have been restated. Refer to Note 3 of the 2012 Financial Statements for further details.*

RESULTS OF OPERATIONS

The Group recorded net profit before tax for the year ended 31 December 2013 of US$184.0 million (2012: US$198.6 million). The decrease is driven primarily by the lower gold price which was offset by higher volumes of gold sold and lower costs due to management's rigorous cost control.

Set out below are the audited consolidated Financial Statements for the Group, including notes thereto, for the year ended 31 December 2013. The independent auditors report on these Financial Statements was unmodified and contained an emphasis of matter paragraph relating to the significant uncertainty over the Concession Agreement court case referred to above and in Note 20.

	Note	31 December 2013			31 December 2012		
		Before exceptional items US$'000	**exceptional items [1] US$'000**	**Total US$'000**	**Before exceptional items US$'000**	**exceptional items [1] US$'000**	**Total US$'000**
Revenue	5	503,825	-	503,825	426,133	-	426,133
Cost of sales	6	(226,433)	(51,004)	(277,437)	(169,814)	(33,118)	(202,932)
Gross profit		277,392	(51,004)	226,388	256,319	(33,118)	223,201
Other operating costs	6	(21,727)	-	(21,727)	(25,505)	-	(25,505)
Impairment of available-for-sale financial assets	14.1	(12,911)	-	(12,911)	-	-	-
Impairment of associate	14.2	(1,968)	-	(1,968)	-	-	-
Impairment of exploration and evaluation assets	13	(6,503)	-	(6,503)	-	-	-
Finance income	6	690	-	690	898	-	898
Profit before tax		234,973	(51,004)	183,969	231,712	(33,118)	198,594
Tax	7	(10)	-	(10)	444	-	444
Profit for the year attributable to the Company		234,963	(51,004)	183,959	232,156	(33,118)	199,038
Other comprehensive income							
Items that may be reclassified subsequently to profit or loss:							
Losses on available for sale financial assets (net of tax)		(6,150)	-	(6,150)	(2,804)	-	(2,804)
Losses on available for sale financial assets transferred to profit for the year (net of tax)		12,911	-	12,911	-	-	-
Other comprehensive income for the year		6,761	-	6,761	(2,804)	-	(2,804)
Total comprehensive income attributable to the Company		241,724	(51,004)	190,720	229,352	(33,118)	196,234
Earnings per share:							
Basic (cents per share)	24	21.551	(4.68)	16.873	21.305	(3.039)	18.266
Diluted (cents per share)	24	21.416	(4.65)	16.767	21.299	(3.038)	18.261

[1] *Refer to Note 6 for further details.*

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

	Notes	31 December 2013 US$'000	31 December 2012 US$'000
NON-CURRENT ASSETS			
Property, plant and equipment	12	950,586	747,571
Exploration and evaluation asset	13	59,849	45,669
Prepayments	11	18,950	-
Available-for-sale financial assets	14.1	-	5,613
Interests in associates	14.2	-	3,132
Total non-current assets		1,029,385	801,985
CURRENT ASSETS			
Inventories	10	135,269	94,636
Available-for-sale financial assets	14.1	989	-
Trade and other receivables	9	25,427	40,736
Prepayments	11	1,678	466
Cash and cash equivalents	25	105,979	147,133
Total current assets		269,342	282,971
Total assets		1,298,727	1,084,956
NON-CURRENT LIABILITIES			
Provisions	16	7,638	5,544
Total non-current liabilities		7,638	5,544
CURRENT LIABILITIES			
Trade and other payables	15	78,102	54,606
Tax liabilities	7	-	-
Provisions	16	139	4,962
Total current liabilities		78,241	59,568
Total liabilities		85,879	65,112
Net assets		1,212,848	1,019,844
EQUITY			
Issued capital	17	612,463	612,463
Share option reserve	18	5,761	3,477
Accumulated profits		594,624	403,904
Total equity		1,212,848	1,019,844

	Issued capital US$'000	Other reserves US$'000	Share options reserve US$'000	Accumulated profits US$'000	Total US$'000
Balance as at 1 January 2013	612,463	-	3,477	403,904	1,019,844
Profit for the year	-	-	-	183,959	183,959
Other comprehensive income for the year	-	-	-	6,761	6,761
Total comprehensive income for the year	-	-	-	190,720	190,720
Recognition of share based payments	-	-	2,284	-	2,284
Balance as at 31 December 2013	612,463	-	5,761	594,624	1,212,848

	Issued capital US$'000	Other reserves US$'000	Share options reserve US$'000	Accumulated profits US$'000	Total US$'000
Balance as at 1 January 2012	608,596	-	2,006	195,621	806,223
Change in accounting policy[1]	-	-	-	12,049	12,049
As restated	608,596	-	2,006	207,670	818,272
Profit for the year	-	-	-	199,038	199,038
Other comprehensive loss for the year	-	-	-	(2,804)	(2,804)
Total comprehensive income for the year	-	-	-	196,234	196,234
Issue of shares under LFSP	3,367	-	-	-	3,367
Recognition of share based payments	-	-	1,981	-	1,981
Transfer from share options reserve	510	-	(510)	-	-
Share issue costs	(10)	-	-	-	(10)
Balance as at 31 December 2012	612,463	-	3,477	403,904	1,019,844

[1] *The Group changed its accounting policy on production-phase stripping costs with effect from 1 January 2012.*

	Note	31 December 2013 US$'000	31 December 2012 US$'000
Cash flows from operating activities			
Cash generated in operating activities	25(b)	245,833	221,405
Finance income		(690)	(898)
Net cash generated by operating activities		245,143	220,507
Cash flows from investing activities			
Acquisition of property, plant and equipment		(266,711)	(223,567)
Exploration and evaluation expenditure		(14,670)	(14,556)
Acquisition of financial assets	14.1	(2,456)	(6,427)
Acquisition of interests in associates	14.2	(500)	(166)
Proceeds from sale of available-for-sale financial assets	14.1	822	-
Finance income	5	690	898
Net cash used in investing activities		(282,825)	(243,818)
Cash flows from financing activities			
Proceeds from the issue of equity and conversion of options	17	-	3,367
Share issue costs	17	-	(10)
Net cash provided by financing activities		-	3,357
Net (decrease)/increase in cash and cash equivalents		(37,682)	(19,954)
Cash and cash equivalents at the beginning of the period	25	147,133	164,231
Effect of foreign exchange rate changes		(3,472)	2,856
Cash and cash equivalents at the end of the period	25	105,979	147,133

1. GENERAL INFORMATION

Centamin plc (the "Company") is a listed public company, incorporated in Jersey and operating through subsidiaries and jointly controlled entities operating in Egypt, Ethiopia, United Kingdom and Australia. It is the parent company of the Group, comprising the Company and its subsidiaries and jointly controlled entities.

Registered office and principal place of business

Centamin plc

2 Mulcaster Street

St Helier, Jersey JE2 3NJ

The audited financial information for the year ended 31 December 2013 contained in this document does not constitute statutory accounts as defined in Article 105 of Companies (Jersey) Law 1991. The financial information for the year ended 31 December 2013 has been extracted from the financial statements of Centamin plc which will be delivered to the Registrar in due course. The independent auditors report on these financial statements was unmodified and contained an emphasis of matter paragraph relating to significant uncertainty over the Concession Agreement court case referred to above and in Note 20.

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

In the current year, no new and revised Standards and Interpretations have been adopted that have affected the amounts reported in these financial statements.

Standards not affecting the reported results nor the financial position

The following new and revised Standards and Interpretations have been adopted in the current year. Their adoption has not had any significant impact on the amounts reported in these financial statements but, with the exception of the amendment to IFRS 1, may impact the accounting for future transactions and arrangements.

Standard	Description
IFRS 1 (amended) *Government Loans*	The amendment addresses how a first-time adopter would account for a government loan with a below-market rate of interest when transitioning to IFRS. The amendments mirror the requirements for existing IFRS preparers in relation to the application of amendments made to IAS 20 Accounting for Government Grants and Disclosure of Government Assistance in relation to accounting for government loans.
IFRS 7 (amended) *Disclosures – Offsetting Financial Assets and Financial Liabilities*	Amends the disclosure requirements to require information about all recognised financial instruments that are set off. The amendments also require disclosure of information about recognised financial instruments subject to enforceable master netting arrangements and similar agreements even if they are not set off under IAS 32. The IASB believes that these disclosures will allow financial statement users to evaluate the effect or potential effect of netting arrangements, including rights of set-off associated with an entity's recognised financial assets and recognised financial liabilities, on the entity's financial position.
IFRS 13 Fair Value Measurement	IFRS 13 establishes a single framework for measuring fair value when such measurements are required or permitted by other standards. The adoption of IFRS 13 has not had any significant impact on the fair value measurements carried out by the Group and the amounts reported within the unaudited interim condensed consolidated financial statements. IFRS 13 requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures. IFRS 13 also results in an amendment to IAS 34 requiring that

	some of these disclosures relating to financial instruments are made in the unaudited interim condensed consolidated financial statements.
Improvements to IFRS 2009 – 2011	Aside from those items already identified above, the amendments made to standards under the 2009 – 2011 improvements to IFRS 2 have had no impact on the Group.

2. ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS (CONTINUED)

Standards not affecting the reported results nor the financial position (continued)

At the date of authorisation of these financial statements, the following Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

IFRS 9	Financial Instruments
IFRS 10	Consolidated Financial Statements
IFRS 11	Joint Arrangements
IFRS 12	Disclosure of Interests in Other Entities
IAS 27 (revised)	Separate Financial Statements
IAS 28 (revised)	Investments in Associates and Joint Ventures (2011)
IAS 32 (revised)	Offsetting Financial Assets and Financial Liabilities
IAS 36 (revised)	Recoverable Amount Disclosure Non-Financial Assets

The directors are still considering the impact of adoption of new accounting standards and note that the main impacts upon the adoption of the new standards will be:

- IFRS 9 will impact both the measurement and disclosures of Financial Instruments;
- IFRS 10 and 11 will introduce revised definitions of control and joint arrangements and the Group will consider the accounting for the Concession Agreement under this guidance. The directors' determination of the appropriate treatment under the new accounting standards is not expected to have a material impact in the year of adoption; and
- IFRS 12 will impact the disclosure of interests the Group has in other entities.

Beyond the information above, it is not practicable to provide a reasonable estimate of the effect of these standards until a detailed review has been completed.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") adopted by the European Union ("EU IFRS") and therefore the Group financial statements comply with Article 4 of the EU IAS Regulation

There are no changes in these accounting policies for the year ended 31 December 2013 except as disclosed in Note 3 below "Changes in accounting policy".

<u>Changes in accounting policy</u>

IFRS 13 Fair Value Measurement

The Group adopted IFRS 13 Fair Value Measurement on its effective date of 1 January 2013. IFRS 13 establishes a single framework for measuring fair value when such measurements are required or permitted by

other standards. The adoption of IFRS 13 has not had any significant impact on the fair value measurements carried out by the Group and the amounts reported within the Group financial statements. IFRS 13 requires specific disclosures on fair values, some of which replace existing disclosure requirements in other standards, including IFRS 7 Financial Instruments: Disclosures.

A number of other amendments to accounting standards issued by the International Accounting Standards Board also apply for the first time in 2013. These do not have a significant impact on the accounting policies,
These financial statements are denominated in United States dollars, which is the functional currency of Centamin plc. All companies in the Group use the United States dollar as their functional currency except for Sheba Exploration Holdings Limited and Sheba Exploration Limited that use Great British pound. All financial information presented in United States dollars has been rounded to the nearest thousand dollars, unless otherwise stated.

These financial statements have 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.

Principles of consolidation

The consolidated financial statements are prepared by combining the financial statements of all the entities that comprise the consolidated entity, being the company (the parent entity) and its subsidiaries as defined in IAS 27 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.

Sukari Gold Mines ("SGM") is jointly controlled by PGM and EMRA on a 50% equal basis. For accounting purposes, SGM is wholly consolidated within the Centamin Group of companies reflecting the substance and economic reality of the Concession Agreement (see note 23). Pursuant to the Concession Agreement, PGM solely funds SGM's activities. PGM is also entitled to recover the following costs and expenses payable from sales revenue (excluding the royalty payable to ARE) (a) all current operating expenses incurred and paid after the initial commercial production; (b) exploration costs, including those accumulated to the commencement of commercial production (at the rate of 33.3% of total accumulated cost per annum); and (c) exploitation capital costs, including those accumulated prior to the commencement of commercial production (at the rate of 33.3% of total accumulated cost per annum).

EMRA is entitled to a share of SGM's net production surplus (defined as revenue less payment of the fixed royalty to ARE and recoverable costs. Accordingly, no EMRA entitlement has been recognised to date. Any payment made to EMRA pursuant to these provisions of the Concession Agreement will be recognised as a variable charge in the income statement.

Going concern

These financial statements for the year ended 31 December 2013 have been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations. During the year the operation of the mine was affected by two legal actions. A detailed summary of the litigation is available at Note 20 of these Financial Statements. The first of these followed from a decision taken by EGPC to charge international, not local (subsidised) prices for the supply of Diesel Fuel Oil, and the second arose as a result of judgment of an Administrative Court of first instance in relation to, amongst other matters, the Company's 160km^2 exploitation lease. In relation to the first decision, the Company remains confident that in the

event that it is required to continue to pay international prices, the mine at Sukari will remain commercially viable. Similarly, the Company remains confident that the appeal it has lodged in relation to the decision of the Administrative Court will ultimately be successful, although final resolution of it may take some time. On 20 March 2013 the Supreme Administrative Court upheld the Company's application to suspend the decision until the merits of the Company's appeal are considered and ruled on, thus providing assurance that normal operations would be able to continue during this process.

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

The directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the Annual Financial Statements.

ACCOUNTING POLICIES

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

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

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.

Financial instruments

Financial assets and financial liabilities are recognised in the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments
An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities
Financial liabilities are classified as either financial liabilities i) at fair value through profit or loss ("FVTPL") or ii) other financial liabilities.

Financial liabilities at FVTPL
Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL. A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial

recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a Group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and IAS 39 Financial Instruments: Recognition and Measurement permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the income statement.

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.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Financial assets

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.

Subsequent to initial recognition, investments in subsidiaries are measured at cost in the company financial statements. 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 estimated future cash receipts through the expected life of the financial asset, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Available for sale financial assets ("AFS")

Listed shares and listed redeemable notes held by the Group that are traded in an active market are classified as being AFS and are stated at fair value. The Group also has investments in unlisted shares that are not traded in an active market but that are classified as AFS financial assets and stated at fair value (because the directors consider that fair value can be reliably measured). Fair value is determined in the manner described in Note 26. Gains and losses arising from changes in fair value are recognised in other comprehensive income and accumulated profits with the exception of impairment losses, interest calculated using the effective interest method and foreign exchange gains and losses on monetary assets, which are recognised directly in profit or loss. Where the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously recognised in the investments revaluation reserve is reclassified to profit or loss.

Dividends on AFS equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established.

The fair value of AFS monetary assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the balance sheet date. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

Loans and receivables
Trade receivables, loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and receivables". Loans and receivables are measured at amortised cost using the effective interest rate method less impairment. Interest is recognised by applying the effective interest rate except for short-term receivables when the recognition of interest would be immaterial.

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

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

With the exception of 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 in other comprehensive income.

Derecognition of financial assets
The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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.

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

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

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

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

Foreign currencies

The individual financial statements of each Group entity are presented in its functional currency being the currency of the primary economic environment in which the entity operates. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in United States dollars, which is the functional currency of the Group and the presentation currency for the consolidated financial statements. All companies in the group use the United States Dollar as their functional currency except for Sheba Exploration Holdings Limited (previously, Sheba Exploration (UK) plc) and Sheba Exploration Limited that use Great British Pound.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the dates of the transactions. At each

reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

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.

Interests in joint ventures

Jointly controlled entities
Where the Group is a venturer (and so has joint control) in a jointly controlled entity, the Group recognises its share of the assets, liabilities, income and expenses, line by line, in the consolidated financial statements. SGM is wholly consolidated within the Centamin Group of companies, reflecting the substance and economic reality of the Concession Agreement (see Note 23).

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.

Property, plant and equipment ("PPE")

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

Depreciation is provided on plant and equipment. Depreciation is calculated on a straight line basis so as to write off the net cost or other revalued amount of each asset over its expected useful life to its estimated residual value.
The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual financial period, with the effect of any changes recognised on a prospective basis.
Freehold land is not depreciated.

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

Plant and equipment	-	2- 50 years
Office equipment	-	3 - 7 years
Mining equipment	-	2 - 13 years
Land and buildings	-	4 - 20 years

The gain or loss arising on the disposal or scrappage of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in income.

Mine development properties

Where mining of a mineral resource has commenced, the accumulated costs are transferred from exploration and evaluation assets to mine development properties. Amortisation is first charged to new mine development ventures from the date of first commercial production. Amortisation of mine properties is on a unit of production basis resulting in an amortisation charge proportional to the depletion of the proved and probable ore reserves. The unit of production can be on a tonnes or an ounce depleted basis.

Capitalised underground development costs incurred to enable access to specific ore blocks or areas of the underground mine, and which only provide an economic benefit over the period of mining that ore block or area, are depreciated on a units of production basis, whereby the denominator is estimated ounces of gold in proven and probable reserves within that ore block or area where it is considered probable that those resources will be extracted economically.

Stripping activity assets

The Group defers stripping costs incurred (removal of mine waste materials which provide improved access to further quantities of material that will be mined in future periods). The Group changed its accounting policy on stripping costs in the production phase of a surface mine "IFRIC 20" effective 1 January 2012. IFRIC 20 provides clarity on how to account for and measure the removal of mine waste materials which provide access to mineral ore deposits. This waste removal activity is known as 'stripping'. There can be two benefits accruing to the entity from the stripping activity:

- usable ore that can be used to produce inventory; and
- improved access to further quantities of material that will be mined in future periods.

The costs of stripping activity to be accounted for in accordance with the principles of IAS 2 Inventories to the extent that the benefit from the stripping activity is realised in the form of inventory produced. The costs of stripping activity which provides a benefit in the form of improved access to ore is recognised as a non-current 'stripping activity asset' where the following criteria are met:

i. it is probable that the future economic benefit (improved access to the ore body) associated with the stripping activity will flow to the entity;
ii. the entity can identify the component of the ore body for which access has been improved; and
iii. the costs relating to the stripping activity associated with that component can be measured reliably.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Stripping activity assets (continued)

When the costs of the stripping activity asset and the inventory produced are not separately identifiable, production stripping costs are allocated between the inventory produced and the stripping activity asset by using an allocation basis that is based on a relevant production measure. A stripping activity asset is accounted for as an addition to, or as an enhancement of, an existing asset and classified as tangible or intangible according to the nature of the existing asset of which it forms part. A stripping activity asset is initially measured at cost and subsequently carried at cost or its revalued amount less depreciation or amortisation and impairment losses. A stripping activity asset is depreciated or amortised on a systematic basis, over the expected useful life of the identified component of the ore body that becomes more accessible as a result of the stripping activity. The stripping activity asset is depreciated using a units of production method based on the total ounces to be produced over the life of the component of the ore body.

Deferred stripping costs are included in 'Stripping Assets', within tangible assets. These form part of the total investment in the relevant cash-generating unit, which is reviewed for impairment if events or a change in circumstances indicate that the carrying value may not be recoverable. Amortisation of deferred stripping costs is included in operating costs.

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

At each reporting date, the Group reviews the carrying amounts of its tangible and intangible assets to determine

whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group 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. 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.

A reversal of an impairment loss is recognised immediately in profit or less, unless the relevant asset is carried at a revalued amount, in which case the reversal of an impairment loss is treated as a revaluation increase.

Revenue

Revenue is measured at the fair value of the consideration received or receivable for goods and services in the normal course of business, net of discounts, VAT and other sales-related taxes.

Sale of goods

Revenue from the sale of mineral production is recognised when the Group has passed the significant risks and rewards of ownership of the mineral production to the buyer, it is probable that economic benefits associated with the transaction will flow to the Group, the sales price can be measured reliably, and the Group has no significant continuing involvement and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is when insurance risk has passed to the buyer and the goods have been collected at the agreed location.

Where the terms of the executed sales agreement allow for an adjustment to the sales price based on a survey of the mineral production by the buyer (for instance an assay for gold content), recognition of the revenue from the sale of mineral production is based on the most recently determined estimate of product specifications.

Pre-production revenues

Income derived by the entity prior to the date of commercial production is offset against the expenditure capitalised and carried in the Consolidated Statement of Financial Position. All revenues recognised after commencement of commercial production are recognised in accordance with the revenue policy stated above. The date of commercial production is determined when stable and sustained production capacity has been achieved.

Interest revenue
Interest income is recognised when it is probable that the economic benefits will flow to the Group and the amount of revenue can be measured reliably.
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.

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

Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRSs. Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously-held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3(2008) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share based payment awards are measured in accordance with IFRS 2 Share-based Payment; and
- assets (or disposal Groups) that are classified as held for sale in accordance with IFRS 5 Non-current assets held for sale.

Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard. If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Investments in associates

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations.

Under the equity method, investments in associates are carried in the consolidated balance sheet at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of that investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

Where a Group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the relevant associate.

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 and Scholes model. Where share-based payments are subject to market conditions, fair value was measured by the use of a Monte-Carlo simulation. 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 27. 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.

Issued capital

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where the Company or other members of the consolidated Group purchases the Company's equity share capital, the consideration paid is deducted from the total shareholders' equity of the Group and/or of the Company as treasury shares until they are cancelled. Where such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity of the Group and/or the Company.

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.

Special considerations
In Australia, Centamin Egypt Limited and Pharaoh Gold Mines NL have elected to form a tax consolidated group and therefore are treated as a single entity for Australian income tax purposes. Pharaoh Gold Mines NL has elected into the ‘Branch Profits Exemption’ whereby foreign branch income will generally not be subject to Australian income tax.

In Egypt, Centamin has entered into a concession agreement that provides that the income generated by Sukari Gold Mining Company’s activities is granted a long-term tax exemption from all taxes imposed in Egypt.

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, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of dismantling and removal of facilities, restoration and monitoring of the affected areas. The provision for future restoration costs is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date. 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.

4. CRITICAL ACCOUNTING JUDGEMENTS

i) Critical judgements in applying the entity's accounting policies

The following are the critical judgements 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:

Management has discussed its critical accounting judgements and associated disclosures with the Company's Audit and Risk Committee.

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

IFRS requires management to test for impairment if events or changes in circumstances indicate that the carrying amount of a finite lived asset may not be recoverable. As a result of the decline in the gold price, the Group carried out an impairment test over the assets, other than exploration and evaluation and financial assets.

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's assessment of:

- forecast gold prices
- discount rate
- production volumes
- reserves and resources report and
- costs and recovery rates.

Each year, the Group prepares and approves a formal one year budget for its operations. The group then extended the data produced in the budget over the life of mine for inclusion in the value in use calculations. The impairment test is highly sensitive to the gold price and an impairment would be required if the gold price falls below US$1,280 per ounce at a discount rate of 12%.

Litigation

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

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

Every action is being taken to contest these decisions, including the making of formal legal appeals and, although their resolution may take some time, management remain confident that a satisfactory outcome will ultimately be achieved. In the meantime, however, the Group is continuing to pay international prices for Diesel Fuel Oil. With respect to the Administrative Court ruling, on 20 March 2013 the Supreme Administrative Court upheld the Company's application to suspend this decision until the merits of the Company's appeal are considered and ruled on, thus providing assurance that normal operations would be able to continue during this process.
In the unlikely event that the Group is unsuccessful in either or both of its legal actions, and that the operating activities are restricted to a reduced area, it is management's belief that the Group will be able to continue as going concern.

Recovery of capitalised exploration evaluation and development expenditure

The Group's accounting policy for exploration and evaluation expenditure results in exploration and evaluation expenditure being capitalised for those projects where such expenditure is considered likely to be recoverable through future extraction activity or sale or where the exploration activities have not reached a stage which permits a reasonable assessment of the existence of reserves. This policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular whether the Group will proceed with development based on existence of reserves or whether an economically viable extraction operation can be established. Such estimates and assumptions may change from period to period as new information becomes available. If, subsequent to the exploration and evaluation expenditure being capitalised, a judgement is made that recovery of the expenditure is unlikely or the project is to be abandoned, the relevant capitalised amount will be written off to the income statement.

As described in Note 13 to the Financial Statements, management have taken the decision not to renew the Shehagne or Finarwa/Winibo (Werie Lehe and Saharti) licences in respect of exploration rights held Sheba Explorations Holding Limited, a wholly owned subsidiary of Centamin plc, and have thus written off all expenditure incurred to date including the acquisition costs in relation to those licences amounting to US$6,712,752.

Revenue recognition

Revenue from the sale of mineral production is recognised when the Group has passed the significant risks and rewards of ownership of the mineral production to the buyer, it is probable that economic benefits associated with the transaction will flow to the Group, the sales price can be measured reliably, and the Group has no significant continuing involvement and the costs incurred or to be incurred in respect of the transaction can be measured reliably. This is when insurance risk has passed to the buyer and the goods have been collected at the agreed location.

Going concern

Under guidelines set out by the UK Financial Reporting Council ("FRC") the directors of UK listed companies are required to consider whether the going concern basis is the appropriate basis of preparation of financial statements.

Based on a detailed cash flow forecast prepared by management, in which any reasonably possible change in the key assumptions on which cash flow forecast is based, the directors have a reasonable expectation that the Group will have adequate resources to continue in operational existence for the foreseeable future. Key assumptions under-pinning this forecast include:

- Litigation as discussed in Note 20 to the Financial Statements;
- forecast gold price;
- production volumes; and
- costs and recovery rates.

These financial statements for the year ended 31 December 2013 have therefore been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations, in preparing the Annual Financial Statements

Accounting treatment of Sukari Gold Mines (SGM)

SGM is wholly consolidated within the Centamin Group of companies, reflecting the substance and economic reality of the Concession Agreement (see Note 23 to the Financial Statements).

ii) Key sources of estimation uncertainty

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

Provision for restoration and rehabilitation costs

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

Ore reserve estimates

Estimates of recoverable quantities of reserves include assumptions on commodity prices, exchange rates, discount rates and production costs for future 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 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.

Ore reserve estimates (continued)

Production forecasts from the underground mine at Sukari are partly based on estimates regarding future resource and reserve growth. It is the opinion of management and Directors that these estimates are both realistic and conservative, based on current information. However, as the mine relies on continued deeper development and exploration drilling for further reserve definition, the life of this part of the mine remains limited and there is a risk that some or all of this growth will not materialise with a consequent negative impact on current production forecasts which affect the unit of production used in depreciation calculations.

Depreciation of capitalised underground mine development costs

Depreciation of capitalised underground mine development costs at the Sukari mine is based on reserve estimates. Management and Directors believe that these estimates are both realistic and conservative, based on current information. However, as the mine relies on continued deeper development and exploration drilling for further reserve definition, the estimated reserves may change with a consequent negative impact on the carrying value of capitalised underground mine development.

Depreciation of the Sukari plant

Sukari plant, capitalised within plant and equipment, is depreciated on a straight line basis over a 45 year economic life. When determining the useful economic life of the plant, management has assumed that its exploration activities will lead to future reserves increases at the Sukari mine site which will extend its life beyond the current life of mine, which is 2029 based on current reserves. Management have the option to extend the concession agreement by 30 years beyond its current expiry date of 2035.

5. REVENUE

An analysis of the Group's revenue for the year, from continuing operations, is as follows:

	31 December 2013	**31 December 2012**
	US$'000	**US$'000**
Gold sales	503,128	425,812
Silver sales	697	321
	503,825	426,133
Finance income	690	898
	504,515	427,031

6. PROFIT BEFORE TAX

Profit for the year has been arrived at after crediting/(charging) the following gains/(losses) and expenses:

	31 December 2013			31 December 2012		
	Before exceptional items	Exceptional items	Total	Before exceptional items	Exceptional items	Total
	US$'000	US$'000	US$'000	US$'000	US$'000	US$'000
Cost of sales						
Mine production costs	(184,608)	(53,130)	(237,738)	(140,067)	(36,654)	(176,721)
Movement in inventory	8,973	2,126	11,099	5,854	3,572	9,426
Depreciation and amortisation	(50,798)	-	(50,798)	(35,601)	(36)	(35,637)
	(226,433)	(51,004)	(277,437)	(169,814)	(33,118)	(202,932)

	31 December 2013	31 December 2012
	US$'000	US$'000
Finance income		
Interest received	690	898

6. PROFIT BEFORE TAX (CONTINUED)

	31 December 2013	31 December 2012
	US$'000	US$'000
Other operating costs		
Corporate compliance	(3,188)	(2,956)
Corporate consultants	(793)	(772)
Employee entitlements	(118)	(141)
Salary and wages	(5,854)	(8,314)
Travel and accommodation	(1,205)	(956)
Other administration expenses	(278)	(1,887)
Employee equity settled share based payments	(2,284)	(1,981)
Fixed royalty – attributable to the Egyptian government	(15,074)	(12,769)
Foreign exchange gain, net	9,621	5,170
Provision for restoration and rehabilitation – unwinding of discount	(563)	(263)
Share of loss in associate[1]	(1,664)	(330)
Loss on disposal of property, plant and equipment	(121)	-
Lease payments	(206)	(306)
	(21,727)	(25,505)

[1] *Share of loss in associate includes a US$1,414,000 Impairment of Exploration and Evaluation assets. Refer to Note 14 for further details.*

	31 December	31 December

	2013 US$'000	2012 US$'000
Impairment of assets		
Impairment of available for sale financial assets[1]	(12,911)	-
Impairment of exploration and evaluation assets[2]	(6,503)	-
	(19,414)	-

[1] Refer to Note 14 for further details.
[2] Refer to Note 13 for further details.

	31 December 2013 US$'000	31 December 2012 US$'000
Employee benefit expense[1]		
Short-term employee benefits	50,285	40,256
Long-term employee benefits	2	116
Post-employee benefits	10	21
Share-based payments	2,284	1,981
	52,581	42,374

[1] Included in employee benefit expense is an amount of US$8,703,736 (2012 : US$5,602,318) capitalised to property, plant and equipment and US$2,977,684 (2012 : US$2,183,300) capitalised to exploration and evaluation assets during the year.

Exceptional items

The Directors consider that items of income or expense which are material by virtue of their unusual, irregular or non-recurring nature should be disclosed separately if the consolidated financial statements are to fairly present the financial position and underlying business performance. In order to allow a better understanding of the financial information presented within the consolidated financial statements, and specifically the Group's underlying business performance, the effect of exceptional items are shown below.

6. PROFIT BEFORE TAX (CONTINUED)

	31 December 2013 US$'000	31 December 2012 US$'000
Included in cost of sales		
Mine production costs	(53,130)	(36,654)
Movement in inventory	2,126	3,572
Depreciation and amortisation	-	(36)
	(51,004)	(33,118)

In January 2012 the Company received a letter from Chevron to the effect that Chevron would not be able to continue supplying Diesel Fuel Oil (DFO) to the mine at Sukari at local subsidised prices. It is understood that the reason that this letter was issued was that Chevron had received a letter instructing it to do so from the Egyptian General Petroleum Corporation ("EGPC"). It is further understood that EGPC itself took the decision to issue this instruction because it had received legal advice from the Legal Advice Department of the Council of State (an internal government advisory department) that the companies operating in the gold mining sector in Egypt were not entitled to such subsidies. In addition, the Company during the year received a demand from Chevron for the repayment of fuel subsidies received in the period from late 2009 through to January 2012, amounting to some US$60 million (EGP403 million).

The Group has taken detailed legal advice on this matter (and, in particular, on the opinion given by Legal Advice Department of the Council of State) and in consequence in June 2012 lodged an appeal against EGPC's decision

in the Administrative Courts. Again, the Group believes that its grounds for appeal are strong and that there is every prospect of success. However, as a practical matter, and in order to ensure the continuation of supply, the Group has since January 2012 advanced funds to its fuel supplier, Chevron, based on the international price for diesel.

As at the date of the financial statements, no final decision had been taken by the courts regarding this matter. Furthermore, the Group remains of the view that an instant move to international fuel prices is not a reasonable outcome and will look to recover funds advanced thus far should the court proceeding be concluded in its favour. However, management recognises the practical difficulties associated with re-claiming funds from the government and for this reason has, fully provided against the prepayment of US$97.0 million, as an exceptional item, of which US$55.6 million was provided for during 2013 as follows:

(a) a US$51.0 million increase in cost of sales,
(b) a US$1.7 million increase in stores inventories,
(c) a US$2.1 million increase in mining stockpiles and ore in circuit, and
(d) a US$0.8 million increase in property, plant and equipment (capital WIP).

This has resulted in a net decrease of US$51.0 million in the profit and loss.

	31 December 2013 US$'000	31 December 2012 US$'000
Included in Other operating costs		
Re-domicile costs	-	(564)

The re-domicile costs relate to the expenses incurred in moving the Group from Australia to Jersey by means of the Company becoming the holding company of the Group in 2011.

7. TAX

Tax recognised in profit is summarised as follows:

	31 December 2013 US$'000	31 December 2012 US$'000
(a) Tax expense		
Current tax		
Current tax expense in respect of the current year	10	-
Adjustments recognised in the current year in relation to the current tax in prior periods	-	(444)
	10	(444)
Deferred tax		
Deferred tax expense relating to the origination and reversal of temporary differences	-	-
Tax losses and temporary differences not recognised	-	-
Total tax expense	10	(444)

The tax expense for the year can be reconciled to the profit per the consolidated statement of comprehensive income as follows:	31 December 2013 US$'000	31 December 2012 US$'000
Profit before income tax	183,969	198,594
Add: Share of loss in Associate	1,664	330
	185,633	198,924
Tax expense calculated at 0% (2012 : 0%)[(1)] of profit before tax	-	-
Tax effect of amounts which are not deductible/taxable in calculating taxable income:		
Non-deductible expenses	-	-
Tax effect of income not taxable in determining taxable profit	-	-
Tax Losses and temporary differences not recognized	-	-
Effect of tax different tax rates of subsidiaries operating in other jurisdictions	10	-
Adjustments recognised in the current year in relation to the current tax in prior periods	-	(444)
Tax expense for the year	10	(444)

[(1)]The tax rate used in the above reconciliation is the corporate tax rate of 0% payable by Jersey corporate entities under the Jersey tax law (2012 : 0%). There has been no change in the underlying corporate tax rates when compared to the previous financial period.

	31 December 2013 US$'000	31 December 2012 US$'000
Current tax liabilities		
Current tax payable	-	-

Tax consolidation

Relevance of tax consolidation to the consolidated entity

Companies within the Groups wholly-owned Australian resident entities formed a tax-consolidated Group with effect from 1 July 2003. The head entity within the tax-consolidated Group is Centamin Egypt Limited. The members of the tax-consolidated Group are identified at Note 21.

Nature of tax funding arrangements and tax sharing agreements

Entities within the tax-consolidated Group have entered into a tax funding arrangement and a tax-sharing agreement with the head entity. Under the terms of the tax funding agreement, Centamin Egypt Limited and each of the entities in the tax-consolidated Group has agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity. Such amounts are reflected in amounts receivable from or payable to other entities in the tax-consolidated Group.

The tax sharing agreement entered into between members of the tax-consolidated Group provides for the determination of the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote.

8. SEGMENT REPORTING

The Group is engaged in the business of exploration and mining of precious metals only, which represents a single operating segment. The Board is the Group's chief operating decision maker within the meaning of IFRS 8.

9. TRADE AND OTHER RECEIVABLES

	31 December 2013 US$'000	31 December 2012 US$'000
Gold sales debtors	24,657	40,736
Other receivables	770	-
	25,427	40,736

Trade and other receivables are classified as loans and receivables and are therefore measured at amortised cost. The average age of the receivables is 18 days (2012: 35 days). No interest is charged on the receivables. There are no trade receivables past due and impaired at the reporting date, and thus no allowance for doubtful debts has been recognised. Of the trade receivables balance, the gold sales debtor is all receivable from Johnson Matthey of Canada. The amount due has been received subsequent to year-end and was considered to be fully recoverable.

The directors consider that the carrying amount of trade and other receivables is approximately equal to their fair value.

10. INVENTORIES

	31 December 2013 US$'000	31 December 2012 US$'000
Mining stockpiles and ore in circuit	33,899	22,800
Stores	101,370	71,836
	135,269	94,636

During the year US$372,045 (2012: US$20,493) of inventory has been written off to cost of sales.

11. PREPAYMENTS

	31 December 2013 US$'000	31 December 2012 US$'000
Current		
Prepayments	1,678	466
Fuel prepayments	-	-
	1,678	466
Movement in fuel prepayments [1]		
Balance at the beginning of the year	-	-
Fuel prepayment recognised	55,578	41,417
Less: *Provision charged to* [2]*:*		
Mine production costs (see Note 6)	(53,130)	(36,654)
Property, plant and equipment (see Note 6)	(742)	(4,157)
Inventories (see Note 6)	(1,706)	(606)
Balance at the end of the year	-	-

[1] Refer to Note 6, Exceptional Items, for further details.

[2] The cumulative fuel prepayment recognised and provision charged as at 31 December 2013 is as follows:

Fuel prepayment recognised (US$'000)	96,995
Provision charged to:	
Mine production costs (US$'000)	(89,784)
Property, plant and equipment (US$'000)	(4,899)
Inventories (US$'000)	(2,312)

	31 December 2013 US$'000	31 December 2012 US$'000
Non-Current		
EMRA [3]	18,950	-
	18,950	-

[3] With a view to demonstrating goodwill toward the Egyptian government, PGM made advance payments to EMRA which will be netted off against
future Profit Share that becomes payable to EMRA.

12. PROPERTY, PLANT AND EQUIPMENT

	Office equipment	**Land and buildings**	**Plant and equipment**	**Mining equipment**	**Mine Development properties**	**Stripping Asset**	**Capital WIP**	**Total**
	US$'000	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**	**US$'000**
Cost								
Balance at 31 December 2012	3,595	171	278,366	105,276	176,407	-	259,856	823,671
Additions	54	-	55	-	1,742	-	252,173	254,024
Disposals	(188)	-						(188)
Transfers	1,164	-	6,481	73,098	4,825	-	(85,568)	-
Balance at 31 December 2013	4,625	171	284,902	178,374	182,974	-	426,461	1,077,507
Accumulated depreciation								
Balance at 31 December 2012	(2,516)	(16)	(28,252)	(29,707)	(15,609)	-	-	(76,100)
Depreciation and amortisation	(602)	(7)	(14,495)	(16,619)	(19,165)	-	-	(50,888)
Disposals	67							67
Balance at 31 December 2013	(3,051)	(23)	(42,747)	(46,326)	(34,774)	-	-	(126,921)
Cost								
Balance at 31 December 2011	2,727	14	273,940	77,074	119,837	-	108,767	582,359
Additions	220	-	-	-	56,570	-	184,522	241,312
Transfers	648	157	4,426	28,202	-	-	(33,433)	-
Balance at 31 December 2012	3,595	171	278,366	105,276	176,407	-	259,856	823,671
Accumulated depreciation								
Balance at 31 December 2011	(1,926)	(9)	(14,883)	(19,510)	(4,135)	-	-	(40,463)

Depreciation and amortisation	(590)	(7)	(13,369)	(10,197)	(11,474)	-	-	(35,637)
Balance at 31 December 2012	(2,516)	(16)	(28,252)	(29,707)	(15,609)	-	-	(76,100)
Net book value								
As at 31 December 2012	1,079	155	250,114	75,569	160,798	-	259,856	747,571
As at 31 December 2013	**1,574**	**148**	**242,155**	**132,047**	**148,200**	**-**	**426,461**	**950,586**

During the year, as a result of the decline in the gold price, the group carried out a review of the recoverable amount of the property, plant and equipment. The review did not lead to a recognition of an impairment loss. The discount rate used in measuring value in use was 12% per annum and the assumed average gold price was US$1,342 per ounce. No impairment was performed in 2012 as there was no indication of impairment.

13. EXPLORATION AND EVALUATION ASSET

	31 December 2013	**31 December 2012**
	US$'000	**US$'000**
Balance at the beginning of the period	45,669	31,113
Expenditure for the period	20,683	14,556
Impairment of exploration and evaluation asset	(6,503)	-
Balance at the end of the period	59,849	45,669

The exploration and evaluation asset relates to the drilling, geological exploration and sampling of potential ore reserves. During the prior year the Group acquired the exploration rights in Sheba Exploration Holdings Limited (previously, Sheba Exploration (UK) plc) for US$10.2 million in relation to the licences of Finarwa/Winibo (Werie Lehe and Saharti), granted until 29 November 2013, Shehagne, granted until 21 September 2013 and the Una Deriam Licence, granted until 19 March 2014. The Una Deriam licence is renewable for a period of one year, however, Management has taken the decision not to renew the licences in respect of Finarwa/Winibo and Shehagne and have thus written off all expenditure incurred to date including the acquisition costs in relation to those licences.

14. AVAILABLE-FOR-SALE FINANCIAL ASSETS AND INTERESTS IN ASSOCIATES

14.1 Available-for-sale financial assets

	31 December 2013	**31 December 2012**
	US$'000	**US$'000**
Balance at the beginning of the period	5,613	1,831
Acquisitions	2,456	6,427
Disposals	(822)	-
(Loss)/Profit on foreign exchange movement	(108)	159
Loss on fair value of investment – other comprehensive income	(6,150)	(2,804)
Balance at the end of the period	989	5,613

The available-for-sale financial asset at period-end relates to a 12.62% (2012 : 13.62%) equity interest in Nyota Minerals Limited ("NYO"), a listed public company. During the year, management made the decision to sell its interest in Nyota and the financial asset has now been classed as a current asset.

As a result of the prolonged decline in the fair value of the investment in Nyota, an impairment loss has been recognised and the cumulative investments revaluation reserve balance within the accumulated profit reserve has been transferred to the Statement of Comprehensive Income as follows:

	31 December 2013 US$'000	31 December 2012 US$'000
Impairment loss - being the transfer of unrealised loss from other comprehensive income	12,911	-

14.2 Interests in associates

	31 December 2013 US$'000	31 December 2012 US$'000
Balance at the beginning of the period	3,132	3,296
Acquisitions	500	166
Share of loss in associate (see Note 6)	(1,664)	(330)
Impairment in Interest in associate	(1,968)	-
Balance at the end of the period	-	3,132

The interest in associate relates to the Group's 39.64% equity interest in Sahar Minerals Limited ("Sahar"), of which 33% was acquired in July 2011, 3% acquired in December 2012, and a further 4% acquired in September 2013. The associate holds exploration rights and continues to explore, however, management has taken the decision to write off the costs associated with the interest held in Sahar as a result of managements intention to put all assets into hibernation as a result of funding requirements.

15. TRADE AND OTHER PAYABLES

	31 December 2013 US$'000	31 December 2012 US$'000
Trade payables	59,996	21,121
Other creditors and accruals	18,106	33,485
	78,102	54,606

Trade payables principally comprise the amounts outstanding for trade purchases and ongoing costs. The average credit period taken for trade purchases is 69 days (2012: 38 days). Trade payables are interest free for periods ranging from 30 to 180 days. Thereafter interest is charged at commercial rates. The Group has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

The directors consider that the carrying amount of trade payables approximate their fair value.

16. PROVISIONS

	31 December 2013	31 December 2012

	US$'000	US$'000
Current		
Employee benefits (i)	139	625
Bonus provision	-	4,337
	139	4,962
Non-current		
Restoration and rehabilitation (ii)	7,638	5,544
	7,638	5,544

	31 December 2013 US$'000	31 December 2012 US$'000
Movement in restoration and rehabilitation provision		
Balance at beginning of the year	5,544	2,630
Additional provision recognised	1,531	2,651
Interest expense – unwinding of discount	563	263
Balance at end of the year	7,638	5,544
Movement in bonus provision		
Balance at beginning of the year	4,337	-
Provision recognised	-	4,337
Utilisation of provision	(4,337)	-
Balance at end of the year	-	4,337

(i) Employee benefits relate to annual, sick and long service leave entitlements. The current provision for employee benefits as at 31 December 2013 includes US$139,111 (31 December 2012: US$625,118) of annual leave entitlements. In the current year bonuses are classified within accruals.

(ii) The provision for restoration and rehabilitation represents the present value of the directors' best estimate of the future outflow of economic benefits that will be required to remove the facilities and restore the affected areas at the Group's sites discounted by 7%. This estimate has been made on the basis of benchmark assessments of restoration works required following mine closure and after taking into account the projected area to be disturbed over the life of the mine.

17. ISSUED CAPITAL

	31 December 2013 US$'000	31 December 2012 US$'000
Balance at beginning of the period	612,463	608,596
Transfer from share options reserve	-	510
Other placements	-	3,367
Share issue costs	-	(10)

Balance at end of the period	612,463	612,463

During 2011 the Company re-domiciled to Jersey and the presentation below is line with the requirements of the Jersey Companies Act.

	31 December 2013		31 December 2012	
	Number	**$'000**	**Number**	**$'000**
Fully paid ordinary shares				
Balance at beginning of the period	1,101,397,381	612,463	1,096,297,381	608,596
Issue of shares under share / option schemes	-	-	5,100,000	3,357
Transfer from share option reserve	-	-	-	510
Balance at end of the period	1,101,397,381	612,463	1,101,397,381	612,463

At 31 December 2013 the Company held 11,013,888 ordinary shares in treasury[1] (2012: 11,347,222 ordinary shares).

Fully paid ordinary shares carry one vote per share and carry the right to dividends. See Note 27 for more details of the share options.

[1]. Refers to shares held by the Trustee pursuant to the Loan Funded Share Plan and Deferred Bonus Share Plan.

18. RESERVES

	31 December 2013	31 December 2012
	US$'000	**US$'000**
Share option reserve	5,761	3,477
	5,761	3,477

	31 December 2013	31 December 2012
	US$'000	**US$'000**
Share option reserve		
Balance at beginning of the period	3,477	2,006
Cost of share-based payments	2,284	1,981
Transfer to issued capital	-	(510)
Balance at the end of the period	5,761	3,477

The share option reserve arises on the grant of share options to employees under the employee share option plan and on grant of broker warrants. Amounts are transferred out of the reserve and into issued capital when the options and warrants are exercised.

19. COMMITMENTS FOR EXPENDITURE

	31 December 2013	31 December 2012
	US$'000	**US$'000**
(a) Capital expenditure commitments		
Plant and equipment		
Not longer than 1 year	3,474	55,978
Longer than 1 year and not longer than 5 years	-	-

Longer than 5 years	-	-
	3,474	55,978

	31 December 2013 US$'000	31 December 2012 US$'000
(b) Operating lease commitments		
Office premises		
Not longer than 1 year	73	319
Longer than 1 year and not longer than 5 years	244	486
Longer than 5 years	-	60
	317	865

Operating lease commitments are limited to office premises in Jersey.

20. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent Liabilities

Fuel Supply

In January 2012, the Group received a letter from Chevron to the effect that Chevron would only be able to supply Diesel Fuel Oil ("DFO") to the mine at Sukari at international prices rather than at local subsidised prices, which had the effect of adding approximately US$150 per ounce to the cost of production. It is understood that the reason that this letter was issued was that Chevron had received a letter instructing it to do so from the Egyptian General Petroleum Corporation ("EGPC"). It is further understood that EGPC itself issued this instruction because it had received legal advice from the Legal Advice Department of the Council of State (an internal government advisory department) that the companies operating in the gold mining sector in Egypt were not entitled to such subsidies. In November, the Group received a further demand from Chevron for the repayment of fuel subsidies received during the period from late 2009 through to January 2012, amounting to EGP403 million (approximately US$60 million at current exchange rates).

The Group has taken detailed legal advice on this matter (and, in particular, on the opinion given by the Legal Advice Department of the Council of State) and in June 2012 lodged an appeal against EGPC's decision in the Administrative Courts. Again, the Group believes that its grounds for appeal are strong and that there is a good prospect of success. However, as a practical matter, and in order to ensure the continuation of supply whilst the matter is resolved, the Group has since January 2012 advanced funds to its fuel supplier, Chevron, based on the international price for fuel.

As at the date of this document, no decision had been taken by the courts regarding this matter. The Group remains of the view that an instant move to international fuel prices is not a reasonable outcome and will look to recover funds advanced thus far should the court proceeding be successfully concluded. However, Management recognises the practical difficulties associated with re-claiming funds from the government and for this reason has fully provided against the prepayment of US$97.0 million, as an exceptional item. Refer to Note 6 of the accompanying financial statements for further details on the impact of this exceptional provision on the Group's results for 2013.

No provision has been made in respect of the historic subsidies prior to January 2012 as, based on legal advice, the Company believes that the prospects of a court finding in its favour in relation to this matter remain very strong.

Concession Agreement Court Case

On 30 October 2012, the Administrative Court in Egypt handed down a judgment in relation to a claim brought by, amongst others, an independent member of the previous parliament, in which he argued for the nullification of the agreement that confers on the Group rights to operate in Egypt. This agreement, the Concession Agreement, was entered into between the Arab Republic of Egypt, the Egyptian Mineral Resources Authority ("EMRA") and Centamin's wholly-owned subsidiary Pharaoh Gold Mines ("PGM"), and was approved by the People's Assembly as law 222 of 1994.

In summary that judgment states that, although the Concession Agreement itself remains valid and in force, insufficient evidence had been submitted to Court in order to demonstrate that the 160km^2 "exploitation lease" between PGM and EMRA had received approval from the relevant Minister as required by the terms of the Concession Agreement. Accordingly, the Court found that the exploitation lease in respect of the area of 160km^2 was not valid although it stated that there was in existence such a lease in respect of an area of 3km^2. Centamin, however, is in possession of the executed original lease documentation which clearly shows that the 160km^2 exploitation lease was approved by the Minister of Petroleum and Mineral Resources. It appears that an executed original document was not supplied to the Court.

Upon notification of the judgment the Group took various steps to protect its ability to continue to operate the mine at Sukari. These included lodging a formal appeal before the Supreme Administrative Court on 26 November 2012. In addition, in conjunction with the formal appeal the Group applied to the Supreme Administrative Court to suspend the initial decision until such time as the court is able to consider and rule on the merits of the appeal. On 20 March 2013 the Court upheld this application thus suspending the initial decision and providing assurance that normal operations would be able to continue whilst the appeal process is underway.

EMRA lodged its own appeal in relation to this matter on 27 November 2012, the day after the Company's appeal was lodged. Furthermore, in late December 2012, the Minister of Petroleum lodged a supporting appeal and shortly thereafter publicly indicated that, in his view, the terms of the Concession Agreement were fair and that the "exploitation" lease was valid. The Minister of Petroleum also expressed support for the investment and expertise that Centamin brings to the country. The Company believes this demonstrates the government's commitment to our investment at Sukari and the desire to stimulate further investment in the Egyptian mining industry.

The Company does not yet know when the appeal will conclude, although it is aware of the potential for the process in Egypt to be lengthy. The Company has taken extensive legal advice on the merits of its appeal from a number of leading Egyptian law firms who have confirmed that the proper steps were followed with regard to the grant of the 160km^2 lease. It therefore remains of the view that the appeal is based on strong legal grounds and will ultimately be successful. In the event that the appellate court fails to be persuaded of the merits of the case put forward by the Group, the operations at Sukari may be adversely effected to the extent that the Company's operation exceeded the exploitation lease area of 3 km^2 referred to in the original court decision. The Company remains confident that normal operations at Sukari will be maintained whilst the appeal case is heard.

Contingent assets

There were no contingent assets at the year-end (31 December 2012: nil).

21. SUBSIDIARIES

The parent entity of the Group is Centamin plc, incorporated in Jersey, and the details of its subsidiaries are as follows:

	Country of incorporation	Ownership interest 31 December 2013 %	Ownership interest 31 December 2012 %
Centamin Egypt Limited	Australia	100	100
Viking Resources Limited	Australia	100	100
North African Resources NL	Australia	100	100
Pharaoh Gold Mines NL	Australia	100	100
Egyptian Pharaoh Investments[(1)]	Egypt	50	50
Sukari Gold Mining Co	Egypt	50	50
Centamin UK Limited	United Kingdom	100	100
Sheba Exploration Holdings Limited[(2)]	United Kingdom	100	100
Centamin Group Services Limited	Jersey	100	100
Centamin Holdings Limited	Jersey	100	100
Sheba Exploration Limited	Ethiopia	100	100
Centamin Limited	Bermuda	100	100
Centamin West Africa Holdings Limited	United Kingdom	100	-
Unincorporated Joint Venture[(3)]	N/A	51	-

[(1)] Dormant company.

[(2)] Previously Sheba Exploration (UK) Plc.

[(3)] Conditional upon the terms of a JV Agreement between Centamin Plc and Alecto Minerals Limited.

22. AUDITOR'S REMUNERATION

The analysis of the auditor's remuneration is as follows:

	31 December 2013 US$'000	31 December 2012 US$'000
Fees payable to the company's auditor and their associates for the audit of the company's annual accounts	301	210
Additional fees relating to the prior year	67	191
Fees payable to the company's auditor and their associates for other services to the group		
- The audit of the company's subsidiaries	50	48
Total audit fees	418	449
Non audit fees:		
Audit related assurance services – interim review	140	126
Other assurance services	49	-
Tax compliance services	56	79
Tax advisory services	60	122

Total non-audit fees	305	327

22. AUDITOR'S REMUNERATION (CONTINUED)

The Audit Committee and the external auditor have safeguards in place to avoid the possibility that the auditor's objectivity and independence could be compromised. These safeguards include the implementation of a policy on the use of the external auditor for non-audit related services.

Where it is deemed that the work to be undertaken is of a nature that is generally considered reasonable to be completed by the auditor of the Company for sound commercial and practical reasons, the conduct of such work will be permissible provided that it has been pre-approved. All these services are also subject to a predefined fee limit. Any work performed in excess of this limit must be approved by the Audit Committee.

23. JOINTLY CONTROLLED ENTITIES

The consolidated entity has material interests in the following ventures:

Name of joint venture	**Principal activities**	**Percentage Interest**	
		31 December 2013	**31 December 2012**
		%	**%**
Egyptian Pharaoh Investments[1]	Exploration	50	50
Sukari Gold Mines	Exploration and Production	50	50

[1] Dormant company.

The Group's interest as a joint venture partner, in the above jointly controlled entities, is detailed below. The amounts are included in the consolidated financial statements of the Group using the line-by-line reporting format.

	31 December 2013	**31 December 2012**
Statement of financial position	**US$'000**	**US$'000**
Current assets		
Cash	2,297	32,107
Trade and other receivables	24,657	40,734
Inventories	127,242	94,636
Prepayments	1,361	289
	155,557	167,766
Non-current assets		
Exploration, evaluation and development	50,707	32,002
	50,707	32,002
Current liabilities		
Trade and other payables	73,780	53,601
	73,780	53,601

	31 December 2013 US$'000	31 December 2012 US$'000
Statement of comprehensive income		
Revenue	503,825	426,133
Cost of sales	(254,108)	(204,109)
Gross profit	249,717	222,024
Other operating income	1,006	37
Other operating costs	(2,845)	4,096
Profit before income tax	247,878	226,157
Tax expenses	(4)	-
Net profit for the year	247,874	226,157

Capital commitments arising from the Group's interests in joint ventures are disclosed in Note 19.

Through its wholly-owned subsidiary, PGM, the Company entered into the Concession Agreement with EMRA and the Arab Republic of Egypt granting PGM and EMRA the right to explore, develop, mine and sell gold and associated minerals in specific concession areas located in the Eastern Desert of Egypt. The Concession Agreement came into effect under Egyptian law on 13 June 1995.

In 2001 PGM, together with EMRA, were granted an Exploitation Lease over 160 square kilometres surrounding the Sukari Project site. The Exploitation Lease was signed by PGM, EMRA and the Egyptian Minister of Petroleum and gives tenure for a period of 30 years, commencing 24 May 2005 and extendable by PGM for an additional 30 years upon PGM providing reasonable commercial justification.

In 2006 SGM, was incorporated under the laws of Egypt. SGM was formed to conduct exploration, development, exploitation and marketing operations in accordance with the Concession Agreement. Responsibility for the day-to-day management of the Project rests with the General Manger, who is appointed by PGM.

The fiscal terms of the Concession Agreement require that PGM solely funds the SGM. PGM is however entitled to recover from sales revenue recoverable costs, as defined in the Concession Agreement. EMRA is entitled to a share of SGM's net production surplus or profit share (defined as revenue less payment of the fixed royalty to ARE and recoverable costs). As at 31 December 2013, PGMs has not recovered its cost and accordingly, no EMRA entitlement has been recognised to date, It is anticipated that the first payment to EMRA will become payable during 2015, Any payment made to EMRA pursuant to these provisions of the Concession Agreement will be recognised as a variable royalty charge to the income statement.

The Concession Agreement grants certain tax exemptions, including the following:

- From 1 April 2010, being the date of Commercial Production, the Sukari Project is entitled to a 15 year exemption from any taxes imposed by the Egyptian government on the revenues generated from the Sukari Project. PGM and EMRA intend that SGM will in due course file an application to extend the tax-free period for a further 15 years. The extension of the tax-free period requires that there has been no tax problems or disputes in the initial period and that certain activities in new remote areas have been planned and agreed by all parties;
- PGM and SGM are exempt from custom taxes and duties with respect to the importation of machinery, equipment and consumable items required for the purpose of exploration and mining activities at the Sukari Project. The exemption shall only apply if there is no local substitution with the same of similar quality to the imported machinery, equipment or consumables. Such exemption will also be granted if the local substitution is more than 10% more expensive than the imported machinery, equipment or consumables after the additional of the insurance and transportation costs;

- PGM, EMRA and SGM and their respective buyers will be exempt from any duties or taxes on the export of gold and associated minerals produced from the Sukari Project;
- PGM at all times is free to transfer in US dollars or other freely convertible foreign currency any cash of PGM representing its share of net proceeds and recovery of costs, without any Egyptian government limitation, tax or duty;
- PGM's contractors and sub-contractors are entitled to import machinery. Equipment and consumable items under the "Temporary Release System" which provided exemption from Egyptian customs duty; and
- Legal title of all operating assets of PGM will pass to EMRA when cost recovery is completed. The right of use of all fixed and movable assets remains with PGM and SGM.

24. EARNINGS PER SHARE

	31 December 2013 Cents Per Share	31 December 2012 Cents Per Share
Basic earnings per share	16.87	18.27
Diluted earnings per share	16.77	18.26

Basic earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows:

	31 December 2013 US$'000	31 December 2012 US$'000
Earnings used in the calculation of basic EPS	183,959	199,038

	31 December 2013 No.	31 December 2012 No.
Weighted average number of ordinary shares for the purpose of basic EPS	1,090,242,853	1,089,653,789

Diluted earnings per share

The earnings and weighted average number of ordinary shares used in the calculation of diluted earnings per share are as follows:

	31 December 2013 $'000	31 December 2012 US$'000

Earnings used in the calculation of diluted EPS	183,959	199,038

	31 December 2013 No.	31 December 2012 No.
Weighted average number of ordinary shares for the purpose of diluted EPS	1,097,144,885	1,089,977,621
Weighted average number of ordinary shares for the purpose of basic EPS	1,090,242,853	1,089,653,789
Shares deemed to be issued for no consideration in respect of employee options	6,902,032	323,832
Weighted average number of ordinary shares used in the calculation of diluted EPS	1,097,144,885	1,089,977,621

No potential ordinary shares were excluded from the calculation of weighted average number of ordinary shares for the purpose of diluted earnings per share.

25. NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Reconciliation of cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents includes cash on hand and at bank and deposits.

	31 December 2013 US$'000	31 December 2012 US$'000
Cash and cash equivalents	105,979	147,133

(b) Reconciliation of profit for the year to cash flows from operating activities

	31 December 2013 US$'000	31 December 2012 US$'000
Profit for the year	183,959	199,038
Add/(less) non-cash items:		
Depreciation/ amortisation of property, plant and equipment	50,888	35,637
Stock write-off	372	20
(Decrease)/increase in provisions	(2,729)	7,159
Foreign exchange rate gain, net	(7,788)	(4,320)
Impairment of available for sale financial assets	12,911	-
Share of loss in associate	1,968	330
Impairment of associate	1,664	-
Impairment of exploration and evaluation assets	6,503	-
Share based payments	2,284	1,981

Changes in working capital during the period :

Decrease/(increase) in trade and other receivables	15,309	(10,738)
Increase in inventories	(40,633)	(22,005)
(Increase)/decrease in prepayments	(20,162)	1,110
Increase in trade and other payables	41,287	13,193
Cash flows generated from operating activities	245,833	221,405

(c) Non-cash financing and investing activities

During the year there have been no non-cash financing and investing activities.

26. FINANCIAL INSTRUMENTS

(a) Group risk management

The Group manages its capital to ensure that entities within the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the cash and equity balance. The Group's overall strategy remains unchanged from the previous financial period.

The Group has no debt and thus not geared at year-end or in the prior year. The capital structure consists of cash and cash equivalents and equity attributable to equity holders of the parent, comprising issued capital and reserves as disclosed in Notes 17 and 18. The Group operates in Australia, Jersey, Egypt and Ethiopia. None of the Group's entities are subject to externally imposed capital requirements.

The Group utilises inflows of funds toward the ongoing exploration and development of the Sukari Gold Project in Egypt.

(a) Group risk management (continued)

Categories of financial assets and liabilities:

	31 December 2013 US$'000	31 December 2012 US$'000
Financial assets		
Available for sale assets	989	5,613
Cash and cash equivalents	105,979	147,133
Trade and other receivables	25,427	40,736
	132,395	193,482
Financial liabilities		
Trade and other payables	78,102	54,606
	78,102	54,606

(b) Financial risk management and objectives

The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential risk adverse effects and ensure that net cash flows are sufficient to support the delivery of the Group's financial targets whilst protecting future financial security. The Group continually monitors and tests its forecast financial position against these objectives.

The Group's activities expose it to a variety of financial risks: market; commodity; credit; liquidity; foreign exchange; and interest rate. These risks are managed under Board approved directives through the Audit

Committee. The Group's principal financial instruments comprise interest bearing cash and cash equivalents. Other financial instruments include trade receivables and trade payables, which arise directly from operations.

It is, and has been throughout the period under review, Group policy that no speculative trading in financial instruments be undertaken.

(c) Market risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Australian dollar, Great British pound and Egyptian pound. Exposure to Canadian dollars has diminished considerably when compared to prior periods. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The risk is measured by regularly monitoring, forecasting and performing sensitivity analyses on the Group's financial position.

Financial instruments denominated in Great British pound, Australian dollar and Egyptian pound are as follows:

	Great British Pound		**Australian dollar**		**Egyptian Pound**	
	31 December 2013 US$'000	**31 December 2012 US$'000**	**31 December 2013 US$'000**	**31 December 2012 US$'000**	**31 December 2013 US$'000**	**31 December 2012 US$'000**
Financial assets						
Cash and cash equivalents	535	1,055	17,430	21,963	898	3,648
Available for sale assets	580	4,062	409	1,550	-	-
	1,115	5,117	17,839	23,513	898	3,648
Financial liabilities						
Trade and other payables	549	6,585	4,923	11,361	35,980	6,268
	549	6,585	4,923	11,361	35,980	6,268
Net exposure	566	(1,468)	12,916	12,152	(35,082)	(2,620)

The following table summarises the sensitivity of financial instruments held at the reporting date to movements in the exchange rate of the Great British and Egyptian pounds and Australian dollar to the United States dollar, with all other variables held constant. The sensitivities are based on reasonably possible changes over a financial period, using the observed range of actual historical rates.

	Impact on profit		**Impact on equity**	
	31 December 2013 US$'000	**31 December 2012 US$'000**	**31 December 2013 US$'000**	**31 December 2012 US$'000**
US$/GB£ increase by 10%	1	133	(53)	(155)
US$/GB£ decrease by 10%	(1)	(133)	53	155
US$/A$ increase by 10%	(1,144)	(1,105)	(29)	(144)
US$/A$ decrease by 10%	1,144	1,105	29	144
US$/E£ increase by 10%	3,003	238	-	-
US$/E£ decrease by 10%	(3,003)	(238)	-	-

The Group's sensitivity to foreign currency has decreased at the end of the current period mainly due to the decrease in foreign currency cash holdings in Australian dollars and Great British pounds and a corresponding increase in US dollar cash holdings.

The Group has not entered into forward foreign exchange contracts. Natural hedges are utilised wherever possible to offset foreign currency liabilities. The Company maintains a policy of not hedging its currency positions and maintains currency holdings in line with underlying requirements and commitments.

(d) Commodity price risk

The Group's future revenue forecasts are exposed to commodity price fluctuations, in particular gold prices. The Group has not entered into forward gold hedging contracts.

(e) Interest rate risk

The Group's main interest rate risk arises from cash and short-term deposits and is not considered to be a material risk due to the short-term nature of these financial instruments. Cash deposits are placed on term period of no more than 30 days at a time.

The financial instruments exposed to interest rate risk and the Group's exposure to interest rate risk as at balance date were as follows:

	Weighted Average Effective Interest Rate %	Less than 1 month US$'000	1-12 months US$'000	>12 months US$'000	Total US$'000
Consolidated					
31 December 2013					
Financial assets					
Variable interest rate instruments	0.49	6,228	99,086	-	105,314
Non-interest bearing	-	27,081	-	-	27,081
		33,309	99,086	-	132,395
Financial liabilities					
Variable interest rate instruments	-	-	-	-	-
Non-interest bearing	-	78,102	-	-	78,102
		78,102	-	-	78,102
31 December 2012					
Financial assets					
Variable interest rate instruments	0.64	33,251	111,898	-	145,149
Non-interest bearing	-	48,333	-	-	48,333
		81,584	111,898	-	193,482
Financial liabilities					
Variable interest rate instruments	-	-	-	-	-
Non-interest bearing	-	54,606	-	-	54,606
		54,606	-	-	54,606

(f) Liquidity risk

The Group's liquidity position is managed to ensure that sufficient funds are available to meet its financial commitments in a timely and cost effective manner.

Ultimate responsibility or liquidity risk management rests with the Board of Directors, who has established an appropriate management framework for the management of the Group's funding requirements. The Group manages liquidity risk by maintaining adequate cash reserves and management monitors rolling forecasts of the Group's liquidity on the basis of expected cash flow. The tables above reflect a balanced view of cash inflows and outflows and shows the implied risk based on those values. Trade payables and other financial liabilities originate from the financing of assets used in the Group's ongoing operations. These assets are considered in the Group's overall liquidity risk. Management continually reviews the Group liquidity position including cash flow forecasts to determine the forecast liquidity position and maintain appropriate liquidity levels.

Liquidity risk:	**Less than 1 month**	**1-12 months**	**>12 months**	**Total**
	US$'000	**US$'000**	**US$'000**	**US$'000**
Consolidated				
31 December 2013				
Financial assets				
Variable interest rate instruments	6,228	99,086	-	105,314
Non- interest bearing	27,081	-	-	27,081
	33,309	99,086	-	132,395
Financial liabilities				
Variable interest rate instruments	-	-	-	-
Non-interest bearing	78,102	-	-	78,102
	78,102	-	-	78,102
31 December 2012				
Financial assets				
Variable interest rate instruments	33,251	111,898	-	145,149
Non- interest bearing	48,333	-	-	48,333
	81,584	111,898	-	193,482
Financial liabilities				
Variable interest rate instruments	-	-	-	-
Non-interest bearing	54,606	-	-	54,606
	54,606	-	-	54,606

(g) Credit risk

Credit risk refers to the risk that a counter-party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group measures credit risk on a fair value basis. The Group's credit risk is concentrated on one entity, but the Group has good credit checks on customers and none of the trade receivables from the customer has been past due. Also, the cash balances held in Canadian and Australian dollars which are held with a financial institution with a high credit rating.

The gross carrying amount of financial assets recorded in the financial statements represents the Group's maximum exposure to credit risk without taking account of the value of collateral or other security obtained.

(h) Fair value

The carrying amount of financial assets and financial liabilities recorded in the financial statements represents their respective fair values, principally as a consequence of the short-term maturity thereof.

(i) Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, Grouped into Levels 1 to 3 based on the degree to which the fair value is observable:
Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Available-for-sale financial assets	989	-	-	989

	2012			
	Level 1	**Level 2**	**Level 3**	**Total**
Available-for-sale financial assets	5,613	-	-	5,613

There were no financial assets or liabilities subsequently measured at fair value on Level 3 fair value measurement bases.

27. SHARE BASED PAYMENTS

Employee Share Option Plan (ESOP)

The consolidated entity had an Employee Share Option Plan (ESOP) in place for executives and employees. 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, individual performance. Each share option converts into one ordinary share of the Company on exercise. The options carry neither rights to dividends nor voting rights and are not transferable. 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 options granted to date. Upon exercise of the options the ordinary shares received rank equally with the existing ordinary shares. No options have been offered under the ESOP in 2011 or 2012.

Executive Directors Loan Funded Share Plan (EDLFSP) & Employee Loan Funded Share Plan (ELFSP)

Shares were issued to Executive Directors under the Executive Directors Loan Funded Share Plan EDLFSP 2011 and Employees under the ELFSP as part of their remuneration package. Under the terms of the EDLFSP 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 has 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

(three years from the date of issue) or the date on which the shares are disposed of. No options have been offered under the EDLFSP and ELFSP in 2012.

27. SHARE BASED PAYMENTS (CONTINUED)

Further details of the EDLFSP and ELFSP can be found in the Notice of General Meeting for the shareholder meeting held on Tuesday, 15 February 2011, and full copies of the plan are available upon request. Further details of the performance conditions can be found in the remuneration report.

2011 Employee Option Scheme

Options were issued under the 2011 Option Scheme (EOS) made in accordance with thresholds set in plans approved by shareholders at the Extraordinary General Meeting of Shareholders on 14 December 2011. All employees of the Group other than directors are able to participate in the 2011 EOS. There are no current plans for options to be granted under the 2011 EOS.

The 2011 EOS provides for employees (other than Directors) to receive up to an annual aggregate of options over ordinary shares, with an exercise price calculated by either the volume weighted average closing price of Ordinary Shares sold on an exchange for the five trading days most recently preceding the day as at which the market value is calculated or if market value is required to be determined in another manner or another amount for the purposes of tax legislation in another jurisdiction, then the value is so determined at the date of issue. The ability to exercise the options is conditional on the Group achieving its performance hurdles. For the initial grants to be made under the 2011 EOS it is the current intention that the performance criteria will be the TSR performance criteria as detailed in the 2011 Executive LFSP. Further details of the performance conditions can be found in the remuneration report. There are no outstanding awards under this plan and there is no current intention to use the plan.

Under the 2011 EOS the exercise price of the options is denominated in pound sterling. All options expire on the earlier of their expiry date or termination of the individual’s employment.

Deferred Bonus Share Plan

During the year the Company implemented a Deferred Bonus Share Plan (DBSP) which is a long-term share incentive arrangement for senior management (but not executive directors) and other employees (participants).

Under the DBSP, the Board shall, at its absolute discretion, require such eligible participants to defer up to one hundred per cent (100%) of their bonus opportunity and such eligible participants shall not be paid their deferred bonus in cash but shall instead be granted a Deferred Bonus Award over such number of Shares provided that the eligible participant remains in employment on the date of grant (effectively the vesting date). The award of the deferred shares will not have any performance criteria attached. They will however be subject to a service period.

On 4 June 2013, the Group offered to both the beneficiaries of the shares awarded under the ELFSP and to the majority of the beneficiaries of the options granted under the EOS the choice to replace their awards and options with awards under the DBSP. The Group has accounted for this change as modifications to the share based payment plans and will be recognising the incremental fair value granted, measured in accordance with IFRS 2, by this replacement over the vesting period of the new DBSP awards.

Under this offer, each participant has been granted a number of awards under the DBSP equivalent to the number of shares or options held under the ELFSP and EOS respectively. Such DBSP awards shall be subject to the terms and conditions of the DBSP and shall ordinarily vest in three equal tranches on the anniversary of the grant date, conditional upon the continued employment with the Group. All offers made to participants were accepted.

The total share-based payment charge relating to Centamin plc shares for the year is split as follows:

	31 December 2013 US$'000	31 December 2012 US$'000

2011 EOS	74	110
LFSP	596	1,650
DBSP	1,614	221
	2,284	1,981

No LFSP awards or EOS options were granted during the year.

The fair value of share-based payments awarded under the LFSP and granted under the 2011 EOS were measured by the use of the Black and Scholes model where share-based payments have non-market based performance conditions. Where share-based payments are subject to market conditions, fair value was measured by the use of a Monte-Carlo simulation. The Monte-Carlo simulation has been used to model the Company's share prices against the performance of the chosen comparator group and the FTSE 250 at the relevant vesting dates.

The assumptions used in these are set out below:

	LFSP 2012	**EOS 2012**(1)		**LFSP 2011**		
Date of Grant	05- Apr	05-Apr	15-Aug	21-Mar	21-Jun	30-Sep
Series number	31-34	35-40	41-46	21-25	26-29	30
Number of Instruments	5,100,000	750,000	800,000	8,742,500	825,000	400,000
Share price at date of Grant (£)	0.6380	0.6380	0.6950	1.2590	1.1710	1.1710
Exercise price (£)	0.6754	0.6754	0.6823	1.2590	1.1710	1.1710
Vesting conditions(2)	1-3	1-3	1-3	1-3	1-3	1-3
Expected volatility(3)	51.67%	51.67%	51.48%	50.08%	47.05%	47.05%
Risk Free interest rate(4)	0.41%-0.52%	0.41%-0.52%	0.18%-0.25%	0.78%-1.65%	0.56%-1.13%	1.13%
Expected departures	0%	0%	0%	0%	0%	0%
Expected outcomes of meeting performance targets at grant date	100%	100%	100%	100%	100%	100%
FV at grant date (weighted average) (£)	0.2022	0.1300	0.1939	0.4364	0.3134	0.3842

(1) There were no options granted under the 2011 EOS during 2011.
(2) Variable vesting dependent on one to three years of continuous employment and, for certain series, market-based performance conditions being achieved.
(3) The expected volatility of Centamin and each company in the chosen comparator group and the FTSE 250 Index Companies (FTSE 250) has been calculated using approximately two years of historical price data.
(4) The expected rate of return used in the valuations for Centamin and other UK comparator companies was set to equal the UK government bond rate with a yield-to-maturity that is equivalent to the tenor of the Options. When modelling the share price of Canadian comparator companies, the Canadian government bond rate was used.

Deferred share awards granted during the current and prior year:

	DBSP 2013(1)	**DBSP 2012**
Grant date	4 June 2013	11 October 2012
Number of instruments	9,075,000	1,000,000
Share price at grant date £	0.3857	1.0060
Share price at grant date US$	0.5886	1.6265
Vesting period (years) (2)	1-3	1-3
Expected dividend yield (%)	n/a	n/a
Fair value (£) (3)	0.3857	1.0060
Fair value (US$) (2)	0.5886	1.6265
Incremental fair value at grant date (weighted average)(£) (4)	0.3277	-
Incremental fair value at grant date (weighted average) (US$) (4)	0.5000	-

[1] Awards granted on 4 June 2013 to replace the awards under the ELFSP and the majority of the options granted under the EOS.
[2] Variable vesting dependent on one to three years of continuous employment.
[3] The fair value of shares in the DBSP was calculated by using the closing share price on grant date, converted at the closing £:US$ foreign exchange rate on that day, no other factors were taken into account in determining the fair value.

[4] The incremental fair value of the shares awarded under the DBSP were calculated by using the closing share price on grant date, converted at the closing £:US$ foreign exchange rate on that day less the fair value of the share-based payments awarded under the ELFSP and EOS immediately prior to the grant under the DBSP on 4 June 2013. No other factors were taken into account in determining the fair value of the shares awarded under the DBSP. The fair value of the share-based payments awarded under the LFSP and granted under the 2011 EOS was measured by the use of the Black and Scholes model where share-based payments have non-market based performance conditions. Where share-based payments are subject to market conditions, fair value was measured by the use of a Monte-Carlo simulation. The Monte-Carlo simulation has been used to model the Company's share prices against the performance of the chosen comparator group and the FTSE 250 at the relevant vesting dates.

The following table reconciles the outstanding share options granted under the Employee Share Option Plan at the beginning and end of the reporting period:

	31 December 2013		31 December 2012	
	Number of options	US$ Weighted average exercise price	Number of options	US$ Weighted average exercise price
Balance at beginning of the period	-	-	1,630,150	1.20
Granted during the period	-	-	-	-
Expired/Lapsed during the period	-	-	(1,630,150)	1.9228
Exercised during the period	-	-	-	-
Balance at the end of the period	-	-	-	-
Exercisable at the end of the period	-	-	-	-

The following table reconciles the outstanding share options granted under 2011 Employee Option Scheme, at the beginning and end of the reporting period:

	31 December 2013		31 December 2012	
	Number of options	US$ Weighted average exercise price	Number of options	US$ Weighted average exercise price
Balance at beginning of the period	1,400,000	1.0716	-	-
Granted during the period	-	-	1,550,000	1.0718
Expired/Lapsed during the period	(600,000)	1.1136	(150,000)	1.0730
Replaced with DBSP awards	(300,000)	1.1250	-	-
Cancelled and to be replaced with DBSP awards	(500,000)	1.1250		
Exercised during the period	-	-	-	-
Balance at the end of the period	-	-	1,400,000	1.0716
Exercisable at the end of the period	-	-	-	-

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

	31 December 2013		31 December 2012	
	Number of shares	US$ Weighted average exercise price	Number of shares	US$ Weighted average exercise price
Balance at beginning of the period	10,137,222	1.5808	7,472,222	2.00547

Granted during the period	-	-	5,100,000	1.0730
Expired/Lapsed during the period	(167,500)	1.5014	(2,435,000)	1.8169
Replaced with DBSP awards	(8,747,500)	1.5228	-	-
Exercised during the period	-	-	-	-
Balance at the end of the period	1,222,222	2.0758	10,137,222	1.5808
Exercisable at the end of the period	-	-	275,000	1.9435

The following reconciles the outstanding share awards granted under the DBSP at the beginning and end of the reporting period:

	31 December 2013 Number of awards	31 December 2012 Number of awards
Balance at beginning of the period	1,000,000	-
Granted during the period	9,075,000	1,000,000
Expired/Lapsed during the period	(787,500)	-
Exercised during the period	-	-
Balance at the end of the period	9,287,500	1,000,000
Exercisable at the end of the period	333,333	-

28. KEY MANAGEMENT PERSONNEL COMPENSATION

Key management personal are persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including any director (executive or otherwise) of the Group.

The aggregate compensation made to key management personnel of the consolidated entity and the Company is set out below:

	31 December 2013 US$	31 December 2012 US$
Short-term employee benefits	7,315,048	7,916,848
Long-term employee benefits	1,635	116,226
Post-employment benefits	31,153	78,295
Share-based payments	1,826,452	1,209,491
Total	9,174,288	9,320,860

29. RELATED PARTY TRANSACTIONS

a) Equity interests in related parties

Equity interests in subsidiaries

Details of the percentage of ordinary shares held in subsidiaries are disclosed in Note 21.

Equity interests in associates and joint ventures

Details of interests in joint ventures are disclosed in Note 23.

b) Key management personnel compensation

Details of key management personnel compensation are disclosed below.

c) Key management personnel equity holdings

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

31 December 2013	Balance at 1 January 2013[(2)]	Granted as remuneration (LFSP)	Granted as remuneration (DBSP)	Received on exercise of options	Net other change [(1)]	Balance at 31 December 2013	Balance held nominally
J El-Raghy	70,945,086	-	-	-	500,000	71,445,086	-
T Schultz	1,030,000	-	-	-	-	1,030,000	-
G Haslam	102,056	-	-	-	-	102,056	-
M Arnesen	15,000	-	-	-	-	15,000	-
M Bankes	90,000	-	-	-	30,000	120,000	-
K Tomlinson	-	-	-	-	-	-	-
P Louw	1,737,500	-	1,200,000	-	(1,200,000)	1,737,500	-
A Pardey	1,785,000	-	510,000	-	(510,000)	1,785,000	-
H Brown	475,000	-	-	-	-	475,000	-
C Aujard	-	-	-	-	-	-	-
D Le Masurier	-	-	-	-	-	-	
L Gregory	-	-	-	-	-	-	
Y El-Raghy	510,000	-	-	-	-	510,000	-
A Davidson	-	-	-	-	-	-	-

31 December 2012	Balance at 1 January 2012[(2)]	Granted as remuneration (LFSP)	Granted as remuneration (DBSP	Received on exercise of options	Net other change [(1)]	Balance at 31 December 2012	Balance held nominally
J El-Raghy	71,445,086	-	-	-	(500,000)	70,945,086	-
T Schultz	1,000,000	-	-	-	30,000	1,030,000	-
G Haslam	50,000	-	-	-	52,056	102,056	-
M Arnesen	15,000	-	-	-	-	15,000	-
M Bankes	60,000	-	-	-	30,000	90,000	-
K Tomlinson	-	-	-	-	-	-	-
P Louw	637,500	600,000	500,000	-	-	1,737,500	-
A Pardey	775,000	510,000	500,000	-	-	1,785,000	-
H Brown	475,000	-	-	-	-	475,000	-
C Aujard	-	-	-	-	-	-	-
D Le Masurier	-	-	-	-	-	-	
L Gregory	-	-	-	-	-	-	
Y El-Raghy	-	510,000	-	-	-	510,000	-
A Davidson	-	-	-	-	-	-	-

[(1)] 'Net other change' relates to the on market acquisition or disposal of fully paid ordinary share, including the forfeiture of shares awarded under the LFSP and DBSP and the replacement of awards under the ELFSP with shares awarded under the DBSP.

[(2)] Includes shares held under LFSP/DBSP.

c) Key management personnel share option holdings

The details of the movement in key management personnel options to acquire ordinary shares in Centamin plc are as follows:

31 December 2013	Balance at 1 January 2013	Granted as remuneration	Exercised	Other changes	Balance at 31 December 2013	Balance vested during the financial period	Balance - vested and exercisable at 31 December 2013
J El-Raghy	-	-	-	-	-	-	-
T Schultz	-	-	-	-	-	-	-
G Haslam	-	-	-	-	-	-	-
M Arnesen	-	-	-	-	-	-	-
M Bankes	-	-	-	-	-	-	-
K Tomlinson	-	-	-	-	-	-	-
P Louw	-	-	-	-	-	-	-
A Pardey	-	-	-	-	-	-	-
H Brown	-	-	-	-	-	-	-
C Aujard	600,000	-	-	(600,000)	-	-	-
D Le Masurier	-	-	-	-	-	-	-
L Gregory	-	-	-	-	-	-	-
Y El-Raghy	-	-	-	-	-	-	-
A Davidson	500,000	-	-	(500,000)	-	-	-

31 December 2012	Balance at 1 January 2012	Granted as remuneration	Exercised	Other changes	Balance at 31 December 2012	Balance vested during the financial period	Balance - vested and exercisable at 31 December 2012
J El-Raghy	-	-	-	-	-	-	-
T Schultz	-	-	-	-	-	-	-
G Haslam	-	-	-	-	-	-	-
M Arnesen	-	-	-	-	-	-	-
M Bankes	-	-	-	-	-	-	-
K Tomlinson	-	-	-	-	-	-	-
P Louw	-	-	-	-	-	-	-
A Pardey	-	-	-	-	-	-	-
H Brown	-	-	-	-	-	-	-
C Aujard	-	600,000	-	-	600,000	-	-
D Le Masurier	-	-	-	-	-	-	-
L Gregory	-	-	-	-	-	-	-
Y El-Raghy	-	-	-	-	-	-	-
A Davidson	-	500,000	-	-	500,000	-	-

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

e) Other transactions with key management personnel

The related party transactions for the year ended 31 December 2013 are summarised below:

Mr J El-Raghy is a director and shareholder of El-Raghy Kriewaldt Pty Ltd ("El-Raghy Kriewaldt"). El-Raghy Kriewaldt provides office premises to the Company. All dealings with El-Raghy Kriewaldt are in the ordinary course of business and on normal terms and conditions. Rent and office outgoings paid to El-Raghy Kriewaldt during the period were A$48,278 or US$45,600 (31 December 2012: A$21,499 or US$22,103).

f) Transactions with the Government of Egypt

Royalty costs attributable to the Government of Egypt of US$15,074,098 (2012: US$12,769,084) were incurred in 2013.

With a view to demonstrating goodwill toward the Egyptian government, PGM has made advance payments to EMRA of US$18,950,000 (2012 : nil) which will be netted off against any future Profit Share that becomes payable to EMRA.

g) Transactions with other related parties

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

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

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

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

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

30. SUBSEQUENT EVENTS

As referred to in Note 20, the Group is involved in ongoing litigation in respect of the both the price at which Diesel Fuel Oil is supplied to the mine at Sukari and the validity of the 160km^2 exploitation lease.

Subsequent to period end the Group reduced its interest in Nyota from 12.62% to 11.37% through the sale of 11 million shares held in Nyota and generated proceeds amounting to US$0.1 million.

On 20 February 2014 the Group announced that it had entered into an unconditional agreement for an off-market takeover for all the issued, and to be issued, shares of Ampella Mining Limited (the "Offer"). Under the Offer, Ampella Mining Limited ("Ampella") will receive once (1) new Centamin share for every five (5) Ampella shares held.

The acquisition of Ampella will add significant gold assets to Centamin's development portfolio, with c.2,200km2 of exploration ground in Burkina Faso, including the Batie West gold project which hosts the 3.25Moz(comprising 1.92Moz Indicated and 1.33Moz Inferred) Konkera Resource and c.1,200km^2 of exploration ground across the border from Batie West in Côte d'Ivoire. Centamin intends to progress a substantial exploration programme at Batie West, aimed at developing the potential for further significant resource growth and realising the project's full value, ultimately through development of a sizeable producing operation.

On 24 February 2014, the Group had a relevant interest in 126,321,285 shares or 51.14%. In respect to the Offer, the Company issued a further 38,151,563 Ordinary Shares to the Ampella shareholders who had accepted the Offer by 28 February 2014. The enlarged share capital of the Company at 7 March 2014 was 1,139,548,944 Ordinary Shares.

The numbers presented below are provisional and have been accounted for using the acquisition method of accounting.

30. SUBSEQUENT EVENTS (CONTINUED)

The assumed acquisition consideration based on the terms of the Offer by Centamin will be as follows:

Number of Ampella Shares on Issue as at 24 February 2014	254,302,883*
Number of Ampella Shares to be acquired	254,302,883*
Number of Centamin shares offered for every Ampella share	0.20
Total Number of Centamin Shares Issued	50,860,577
Fair Value of Centamin shares as at 24 February 2014 US$/share	0.96
Share Consideration US$	48,826,154
Fair Value of Consideration US$	48,826,154

* This number assumes that all Ampella Performance Rights have vested in accordance with the terms of the Employee Performance Rights Plan. It also assumes that 1,500,000 Ampella Shares issued under the Ampella Employee Share Acquisition Plan are cancelled.

Details of the assets, liabilities and mineral assets:

	Notes	Book Value	Fair value adjustments	Fair value on acquisition
Current Assets		**US$'000**	**US$'000**	**US$'000**
Cash and cash equivalents		11,961	-	11,961
Trade and other receivables		110	-	110
Prepayments		262	-	262
Inventories	(a)	30	-	30
Non-Current Assets				
Property, plant and equipment	(b)	1,497	-	1,497
Other non-current assets		26	-	26
Current Liabilities				
Trade and other payables		643	-	643
Provisions		271	-	271
Fair value of net identifiable assets acquired		12,972		12,972
Mineral asset allocated on acquisition	(c)			46,610
Less: Deferred tax liability	(c)			(10,756)
Total purchase consideration				48,826

The fair value of the identifiable assets, liabilities and contingent liabilities are subject to change following a detailed assessment of the fair values which is currently underway. For the purposes of the preparation of the Financial Statements, management has assumed the following:

(a) Inventories have not been adjusted as management do not have sufficient information from which to estimate fair value.

(b) Management have assumed that the book value of the Property, plant and equipment is indicative of fair value as detailed valuations have not been performed.

(c) Management have allocated the excess of the fair value of the consideration of US$46.6 million over the fair value of the identifiable assets, liabilities and contingent liabilities acquired to Mineral rights.

The premium on acquisition of Ampella has been calculated as follows:

	US$'000
Current assets	12,363
Non-current assets	1,523
Current liabilities	(914)
Mineral rights	35,854
Fair Value of Assets and Liabilities Acquired	48,826

Management have assumed that a deferred tax liability will arise for the full value of the uplift to the mine assets based on the limited information available and accordingly have recorded a deferred tax liability of US$10.8 million. The Mineral right, inclusive of the deferred tax liability, amounts to US$46.6 million.

On completion of the detailed fair value exercise, certain intangible assets may be identified and recorded separately. This may also result in the recognition of additional deferred tax liabilities. Further, any intangible assets with a finite life identified in the business combination will be required to be amortised over their useful life.

Transaction Costs are assumed to be approximately US$1.9 million.

There were no other significant events occurring after the reporting date requiring disclosure in the Financial Statements.

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

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

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

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