



**UNAUDITED INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE QUARTER AND HALF YEAR ENDED
30 JUNE 2015**

The accompanying Interim Consolidated Financial Statements for the quarter and half year ended 30 June 2015, which are published, inter alia, for the purposes, of discharging the Company's obligations arising in connection with the listing of its shares on the Toronto Stock Exchange, have been prepared in accordance with generally accepted accounting principles. They have not been reviewed or audited by the Company's Auditors and do not constitute a preliminary statement of the Company's annual results.

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

- (a) the condensed set of interim consolidated financial statements for the quarter and half year ended 30 June 2015 has been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' as adopted by the European Union and as issued by the International Accounting Standards Board ("IASB");
- (b) the condensed set of interim consolidated financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or the undertakings included in the consolidation as a whole as required by DTR 4.2.4";
- (c) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- (d) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

By order of the Board,

"Andrew Pardey"

Chief Executive Officer
Andrew Pardey
12 August 2015

"Pierre Louw"

Chief Financial Officer
Pierre Louw
12 August 2015

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR
THE THREE MONTHS ENDED 30 JUNE 2015**

	Note	30 June 2015			30 June 2014		
		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	3	124,192	-	124,192	102,624	-	102,624
Cost of sales	4	(87,139)	(10,893)	(98,032)	(69,944)	(14,332)	(84,276)
Gross profit		37,053	(10,893)	26,160	32,680	(14,332)	18,348
Other operating costs	4	(7,299)	-	(7,299)	(6,729)	-	(6,729)
Impairment of available-for-sale financial assets	13	(56)	-	(56)	(408)	-	(408)
Finance income	4	36	-	36	119	-	119
Profit before tax		29,734	(10,893)	18,841	25,662	(14,332)	11,330
Tax		(8)	-	(8)	-	-	-
Profit for the period		29,726	(10,893)	18,833	25,662	(14,332)	11,330
EMRA Profit share		-	-	-	-	-	-
Profit for the period after EMRA Profit share		29,726	(10,893)	18,833	25,662	(14,332)	11,330
Profit for the period attributable to:							
- the owners of the parent		29,726	(10,893)	18,833	25,662	(14,332)	11,330
- Non-controlling interests		-	-	-	-	-	-
Other comprehensive income							
<u>Items that may be reclassified subsequently to profit or loss:</u>							
Gains/(losses) on available for sale financial assets (net of tax)		(235)	-	(235)	-	-	-
Other comprehensive income for the period	13	(235)	-	(235)	-	-	-
Total comprehensive income for the period net of tax		29,491	(10,893)	18,598	25,662	(14,332)	11,330
Total comprehensive income for the period attributable to:							
- the owners of the parent		29,491	(10,893)	18,598	25,662	(14,332)	11,330
- Non-controlling interests		-	-	-	-	-	-
<i>Earnings per share:</i>							
Basic (cents per share)	10	2.600	(0.953)	1.647	2.250	(1.256)	0.994
Diluted (cents per share)	10	2.565	(0.940)	1.625	2.224	(1.242)	0.982

⁽¹⁾ Refer to Note 4 for further details.

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

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR
THE SIX MONTHS ENDED 30 JUNE 2015**

	Note	30 June 2015			30 June 2014		
		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	3	259,671	-	259,671	205,349	-	205,349
Cost of sales	4	(173,554)	(24,840)	(198,394)	(131,847)	(28,755)	(160,602)
Gross profit		86,117	(24,840)	61,277	73,502	(28,755)	44,747
Other operating costs	4	(13,970)	-	(13,970)	(12,351)	-	(12,351)
Impairment of available-for-sale financial assets	13	-	-	-	(730)	-	(730)
Finance income	4	98	-	98	256	-	256
Profit before tax		72,245	(24,840)	47,405	60,677	(28,755)	31,922
Tax		(8)	-	(8)	-	-	-
Profit for the period		72,237	(24,840)	47,397	60,677	(28,755)	31,922
EMRA Profit share		-	-	-	-	-	-
Profit for the period attributable to:							
- the owners of the parent		72,237	(24,840)	47,397	60,677	(28,755)	31,922
- Non-controlling interests		-	-	-	-	-	-
Other comprehensive income							
Items that may be reclassified subsequently to profit or loss:							
Losses on available for sale financial assets (net of tax)		(99)	-	(99)	-	-	-
Other comprehensive income for the period	13	(99)	-	(99)	-	-	-
Total comprehensive income for the period net of tax		72,138	(24,840)	47,298	60,677	(28,755)	31,922
Total comprehensive income for the period attributable to:							
- the owners of the parent		72,138	(24,840)	47,298	60,677	(28,755)	31,922
- Non-controlling interests		-	-	-	-	-	-
Earnings per share:							
Basic (cents per share)	10	6.321	(2.174)	4.147	5.413	(2.565)	2.848
Diluted (cents per share)	10	6.242	(2.147)	4.095	5.352	(2.536)	2.816

⁽¹⁾ Refer to Note 4 for further details.

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

**UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2015**

	Note	30 June 2015 US\$'000	31 December 2014 US\$'000
NON-CURRENT ASSETS			
Property, plant and equipment	11	901,487	928,964
Exploration and evaluation asset	12	138,017	123,999
Prepayments	5	28,750	23,750
Interests in associates		-	-
Other receivables		748	645
Total non-current assets		1,069,002	1,077,358
CURRENT ASSETS			
Inventories		130,658	140,628
Available-for-sale financial assets	13	323	409
Trade and other receivables		25,533	24,973
Prepayments	5	705	1,710
Cash and cash equivalents	16a	174,978	125,659
Total current assets		332,197	293,379
Total assets		1,401,199	1,370,737
NON-CURRENT LIABILITIES			
Provisions		3,196	3,015
Total non-current liabilities		3,196	3,015
CURRENT LIABILITIES			
Trade and other payables		37,363	34,042
Provisions		1,337	307
Total current liabilities		38,700	34,349
Total liabilities		41,896	37,364
Net assets		1,359,303	1,333,373
EQUITY			
Issued capital	8	665,010	661,573
Share option reserve		2,020	4,098
Accumulated profits		692,273	667,702
Total Equity		1,359,303	1,333,373
TOTAL EQUITY ATTRIBUTABLE TO:			
- owners of the parent		1,359,303	1,333,373
- non-controlling interest		-	-
Total Equity		1,359,303	1,333,373

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Issued Capital US\$'000	Share options reserve US\$'000	Accumulated profits US\$'000	Total Equity US\$'000
Balance as at 1 January 2015	661,573	4,098	667,702	1,333,373
Profit for the period	-	-	47,397	47,397
Other comprehensive income for the period	-	-	(99)	(99)
Total comprehensive income for the period	-	-	47,298	47,298
Dividend paid	-	-	(22,727)	(22,727)
Transfer of share based payments	3,437	(3,437)	-	-
Recognition of share based payments	-	1,359	-	1,359
Balance as at 30 June 2015	665,010	2,020	692,273	1,359,303

	Issued Capital US\$'000	Share options reserve US\$'000	Accumulated profits US\$'000	Total Equity US\$'000
Balance as at 1 January 2014	612,463	5,761	594,624	1,212,848
Profit for the period	-	-	31,922	31,922
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	-	-	31,922	31,922
Issue of shares	48,218	-	-	48,218
Own shares acquired in the period	(1,743)	-	-	(1,743)
Transfer of share based payments	1,521	(1,521)	-	-
Recognition of share based payments	-	973	-	973
Balance as at 30 June 2014	660,459	5,213	626,546	1,292,218

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

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015

		Three Months Ended		Six Months Ended	
		30 June 2015	2014	30 June 2015	2014
	Note	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating activities					
Cash generated in operating activities	16(b)	49,765	20,258	105,290	47,581
Finance income		(36)	(119)	(98)	(256)
Net cash generated by operating activities		<u>49,729</u>	<u>20,139</u>	<u>105,192</u>	<u>47,325</u>
Cash flows from investing activities					
Acquisition of property, plant and equipment		(9,343)	(14,275)	(18,067)	(42,763)
Exploration and evaluation expenditure		(6,130)	(10,579)	(14,721)	(13,078)
Proceeds from sale / (Acquisition) of financial assets		-	-	-	91
Cash acquired through Ampella Mining Limited asset acquisition		-	-	-	9,254
Finance income		36	119	98	256
Net cash used in investing activities		<u>(15,437)</u>	<u>(24,735)</u>	<u>(32,690)</u>	<u>(46,240)</u>
Cash flows from financing activities					
Dividend paid		(22,727)	-	(22,727)	-
Own shares acquired during the period		-	(1,743)	-	(1,743)
Net cash provided by financing activities		<u>(22,727)</u>	<u>(1,743)</u>	<u>(22,727)</u>	<u>(1,743)</u>
Net decrease in cash and cash equivalents		11,565	(6,339)	49,775	(658)
Cash and cash equivalents at the beginning of the period					
		163,351	111,957	125,659	105,979
Effect of foreign exchange rate changes		62	780	456	1,077
Cash and cash equivalents at the end of the period	16	<u>174,978</u>	<u>106,398</u>	<u>174,978</u>	<u>106,398</u>

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

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015

NOTE 1: ACCOUNTING POLICIES

Basis of preparation

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" (IAS 34) as adopted by the European Union and as issued by the International Accounting Standards Board ("IASB") and the requirements of the Disclosure and Transparency Rules (DTR) of the Financial Conduct Authority (FCA) in the United Kingdom as applicable to interim financial reporting.

The unaudited interim condensed consolidated financial statements represent a 'condensed set of financial statements' as referred to in the DTR issued by the FCA. Accordingly, they do not include all of the information required for a full annual financial report and are to be read in conjunction with the Group's financial statements for the year ended 31 December 2014, which were prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and adopted for use by the European Union and IFRS as issued by the IASB. The financial statements for the year ended 31 December 2014 have been filed with the Jersey Financial Services Commission. The financial information contained in this report does not constitute statutory accounts under the Companies (Jersey) Law 1991, as amended.

The accounting policies applied in these interim financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2014 except for the adoption of a number of amendments issued by the IASB and endorsed by the EU which apply for the first time in 2015. The new pronouncements do not have a significant impact on the accounting policies, methods of computation or presentation applied by the Group and therefore the prior period consolidated financial statements have not been restated. The Group has not early adopted any amendments, standards or interpretations that have been issued but are not yet effective.

The preparation of these interim condensed consolidated financial statements requires the use of certain significant accounting estimates and judgment by management in applying the Group's accounting policies. There have been no changes to the areas involving significant judgment and estimates that have been set out in Note 4 of the Group's annual audited consolidated financial statements for the year ended 31 December 2014.

Going concern

These financial statements for the period ended 30 June 2015 have been prepared on a going concern basis, which contemplate the realisation of assets and liquidation of liabilities during the normal course of operations.

As discussed in Note 7, during the prior year the operation of the mine was affected by two legal actions. The first of these followed from a decision taken by Egyptian General Petroleum Corporation ("EGPC") to charge international, not local (subsidised) prices for the supply of DFO, and the second arose as a result of a judgment of the Administrative Court of first instance in relation to, amongst other matters, the Company's 160km² 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 will be able to continue during this process.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

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 these interim condensed consolidated financial statements.

NOTE 2: SEGMENT REPORTING

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

Non-current assets other than financial instruments by country:

	30 June 2015 US\$'000	31 December 2014 US\$'000
Egypt	994,960	1,017,003
Ethiopia	11,151	10,327
Burkina Faso	60,152	48,893
Cote d'Ivoire	1,940	977
Australia	1	2
United Kingdom	8	156
	<u>1,069,002</u>	<u>1,077,358</u>

NOTE 3: REVENUE

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

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015 US\$'000	2014 US\$'000	2015 US\$'000	2014 US\$'000
Gold sales	123,944	102,428	259,175	204,924
Silver sales	248	196	496	425
	<u>124,192</u>	<u>102,624</u>	<u>259,671</u>	<u>205,349</u>

NOTE 4: PROFIT BEFORE TAX

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

	Three months ended 30 June 2015			Three months ended 30 June 2014		
	Before exceptional items US\$'000	Exceptional items US\$'000	Total US\$'000	Before exceptional items US\$'000	Exceptional items US\$'000	Total US\$'000
Finance income						
Interest received	36	-	36	119	-	119

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 4: PROFIT BEFORE TAX (CONTINUED)

	Three months ended 30 June 2015			Three months ended 30 June 2014		
	Before exceptional items	Exceptional items	Total	Before exceptional items	Exceptional items	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Expenses						
Cost of sales						
Mine production costs	(67,746)	(8,845)	(76,591)	(49,471)	(14,651)	(64,122)
Movement in inventory	(905)	(2,048)	(2,953)	905	319	1,224
Depreciation and Amortisation	(18,488)	-	(18,488)	(21,378)	-	(21,378)
	(87,139)	(10,893)	(98,032)	(69,944)	(14,332)	(84,276)

	Three months ended 30 June 2015			Three months ended 30 June 2014		
	Before exceptional items	Exceptional items	Total	Before exceptional items	Exceptional items	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Other operating costs						
Fixed royalty – attributable to the Egyptian government	(3,717)	-	(3,717)	(3,071)	-	(3,071)
Corporate costs	(4,211)	-	(4,211)	(4,010)	-	(4,010)
Other expenses	(29)	-	(29)	(27)	-	(27)
Foreign exchange gain, net	763	-	763	541	-	541
Provision for restoration and rehabilitation – unwinding of discount	(90)	-	(90)	(134)	-	(134)
Depreciation	(15)	-	(15)	(28)	-	(28)
	(7,299)	-	(7,299)	(6,729)	-	(6,729)
Impairment of available for sale financial assets	(56)	-	(56)	(408)	-	(408)

	Six months ended 30 June 2015			Six months ended 30 June 2014		
	Before exceptional items	Exceptional items	Total	Before exceptional items	Exceptional items	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Finance income						
Interest received	98	-	98	256	-	256

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2014 (CONTINUED)

NOTE 4: PROFIT BEFORE TAX (CONTINUED)

	Six months ended 30 June 2015			Six months ended 30 June 2014		
	Before exceptional items	Exceptional items	Total	Before exceptional items	Exceptional items	Total
Expenses	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Cost of sales						
Mine production costs	(132,331)	(22,135)	(154,466)	(92,233)	(27,533)	(119,766)
Movement in inventory	1,734	(2,705)	(971)	(4,455)	(1,222)	(5,677)
Depreciation and Amortisation	(42,957)	-	(42,957)	(35,159)	-	(35,159)
	(173,554)	(24,840)	(198,394)	(131,847)	(28,755)	(160,602)

	Six months ended 30 June 2015			Six months ended 30 June 2014		
	Before exceptional items	Exceptional items	Total	Before exceptional items	Exceptional items	Total
Other operating costs	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Fixed royalty – Attributable to the Egyptian government	(7,771)	-	(7,771)	(6,145)	-	(6,145)
Corporate costs	(6,909)	-	(6,909)	(7,670)	-	(7,670)
Other expenses	(60)	-	(60)	(60)	-	(60)
Foreign exchange gain, net	981	-	981	1,848	-	1,848
Provision for restoration and rehabilitation – unwinding of discount	(181)	-	(181)	(269)	-	(269)
Depreciation	(30)	-	(30)	(55)	-	(55)
	(13,970)	-	(13,970)	(12,351)	-	(12,351)
Impairment of available for sale financial assets	-	-	-	(730)	-	(730)

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.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 4: PROFIT BEFORE TAX (CONTINUED)

Exceptional items (continued)

	Three Months Ended		Six Months Ended	
	30 June		30 June	
	2015	2014	2015	2014
	US\$'000	US\$'000	US\$'000	US\$'000
Included in Cost of sales				
Mine production costs	(8,845)	(14,651)	(22,135)	(27,533)
Movement in inventory	(2,048)	319	(2,705)	(1,222)
	<u>(10,893)</u>	<u>(14,332)</u>	<u>(24,840)</u>	<u>(28,755)</u>

In January 2012 the Company received a letter from Chevron to the effect that Chevron would not be able to continue supplying 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 companies operating in the gold mining sector in Egypt were not entitled to such subsidies. In addition, the Company received a demand from Chevron in 2012 for the repayment of fuel subsidies received in the period from late 2009 through to January 2012, for EGP403 million (approximately US\$52.0 million at current exchange rates)..

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\$10.9 million and US\$24.8 million made during Q2 2015 and the HY 2015 respectively, as an exceptional item, as follows:

- (a) a US\$10.9 million and a US\$24.8 million increase in cost of sales,
- (b) a US\$2.0 million and a US\$2.7 million increase in stores inventories, and
- (c) a US\$2.0 million decrease and a US\$2.7 million decrease in mining stockpiles and ore in circuit.

This has resulted in a net decrease of US\$12.4 million and US\$24.8 million in the profit and loss in Q2 2015 and HY 2015 respectively.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 5: PREPAYMENTS

	30 June 2015 US\$'000	31 December 2014 US\$'000
Non-current Prepayments		
Advance payment to EMRA ⁽¹⁾	28,750	23,750

⁽¹⁾ 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.

	Six Months Ended 30 June 2015 US\$'000	Year Ended 31 December 2014 US\$'000
Current Prepayments		
Prepayments	705	1,710
Fuel prepayments	-	-
Prepayments	705	1,710
Movement in fuel prepayments ⁽¹⁾		
Balance at the beginning of the period	-	-
Fuel prepayment recognised	24,840	68,737
Less: <i>Provision charged to</i> ⁽²⁾ :		
Mine production costs (see Note 4)	(22,135)	(61,564)
Property, plant and equipment	-	(6,953)
Inventories	(2,705)	(220)
Balance at the end of the period	-	-

⁽¹⁾ The cumulative fuel prepayment recognised and provision charged as at 30 June 2015 is as follows:

Fuel prepayment recognised (US\$'000)	186,606
Provision charged to:	
Mine production costs (US\$'000)	173,484
Property, plant and equipment (US\$'000)	11,852
Inventories (US\$'000)	1,270

⁽²⁾ Refer to Note 4, Exceptional Items, for further details.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 6: COMMITMENTS

The following is a summary of the Company's outstanding commitments as at 30 June 2015:

Payments due	Total US\$'000	< 1 year US\$'000	1 to 5 years US\$'000	>5 years US\$'000
Operating Lease Commitments ⁽¹⁾	209	64	145	-
Total commitments	209	64	145	-

⁽¹⁾ Operating lease commitments are limited to office premises in Jersey. As a result of the completion of Stage 4 in the prior year, the Group had no commitments for capital expenditure as at 30 June 2015.

NOTE 7: 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 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 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 companies operating in the gold mining sector in Egypt were not entitled to such subsidies. In November 2012, 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, for EGP403 million (approximately US\$52.0 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 action be successfully concluded. However, management recognises the practical difficulties associated with reclaiming funds from the government and for this reason has fully provided against the prepayment of US\$186.6 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 Q2 2015.

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.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 7: CONTINGENT LIABILITIES AND CONTINGENT ASSETS (CONTINUED)

Supreme Administrative Court Appeal

On 30 October 2012, the Administrative Court in Egypt handed down a judgment in relation to a claim brought by, amongst others, an independent member of a previous parliament, in which he argued for the nullification of the agreement that confers on the Group 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 160km² 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 160km² was not valid although it stated that there was in existence such a lease in respect of an area of 3km². Centamin, however, is in possession of the executed original lease documentation which clearly shows that the 160km² 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 at first instance.

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

EMRA lodged its own appeal in relation to this matter on 27 November 2012, the day after the Company's appeal was lodged, supporting the Group's view in this matter. 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 the Group's investment at Sukari and the government's 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 160km² 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 Group's operation exceeds the exploitation lease area of 3km² 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 period-end (31 December 2014: nil).

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 8: ISSUED CAPITAL

Fully Paid Ordinary Shares	Six Months Ended 30 June 2015		Year Ended 31 December 2014	
	Number	US\$'000	Number	US\$'000
Balance at beginning of the period	1,152,107,984	661,573	1,101,397,381	612,463
Issue of shares ¹	-	-	50,710,603	48,218
Own shares acquired during the period	-	-	-	(1,743)
Transfer from share options reserve	-	3,437	-	2,635
Balance at end of the period	1,152,107,984	665,010	1,152,107,984	661,573

¹ Relates to the ordinary shares that were admitted to trading as consideration for the acquisition of Ampella Mining Limited.

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

The authorised share capital is an unlimited number of no par value shares.

As at the date of this report the Company held 5,993,041 ordinary shares in treasury ²

² Refers to shares held by the trustee pursuant to the Deferred Bonus Share Plan

NOTE 9: RELATED PARTY TRANSACTIONS

The related party transactions for the three months ended 30 June 2015 are summarised below:

- Salaries, superannuation contributions, bonuses, consulting and Directors' fees paid to Directors during the three months ended 30 June 2015 amounted to US\$416,599 (30 June 2014: US\$679,839).
- Mr J El-Raghy is a Director and shareholder of El-Raghy Kriewaldt Pty Ltd ("ELK"), which provides office premises to the Company in Australia. All dealings with ELK are in the ordinary course of business and on normal terms and conditions. Rent paid to ELK during the three months ended 30 June 2014 amounted to US\$11,539 (30 June 2014: US\$12,689).

The related party transactions for the six months ended 30 June 2015 are summarised below:

- Salaries, superannuation contributions, bonuses, consulting and Directors' fees paid to Directors during the six months ended 30 June 2015 amounted to US\$838,685 (30 June 2014: US\$1,510,639).
- Mr J El-Raghy is a Director and shareholder of El-Raghy Kriewaldt Pty Ltd ("ELK"), which provides office premises to the Company in Australia. All dealings with ELK are in the ordinary course of business and on normal terms and conditions. Rent paid to ELK during the six months ended 30 June 2015 amounted to US\$23,193 (30 June 2014: US\$26,172).

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 10: EARNINGS PER SHARE

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

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015 Cents Per Share	2014 Cents Per Share	2015 Cents Per Share	2014 Cents Per Share
Basic earnings per share	1.65	0.99	4.15	2.85
Diluted earnings per share	1.63	0.98	4.10	2.82

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:

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015 US\$'000	2014 US\$'000	2015 US\$'000	2014 US\$'000
Earnings used in the calculation of basic EPS	18,833	11,330	47,397	31,922

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015 No.	2014 No.	2015 No.	2014 No.
Weighted average number of ordinary shares for the purpose of basic EPS	1,143,422,483	1,140,333,682	1,142,857,680	1,120,934,917

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:

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015 US\$'000	2014 US\$'000	2015 US\$'000	2014 US\$'000
Earnings used in the calculation of diluted EPS	18,833	11,330	47,397	31,922

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 10: EARNINGS PER SHARE (CONTINUED)

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015 No.	2014 No.	2015 No.	2014 No.
Weighted average number of ordinary shares for the purpose of diluted EPS	1,158,655,821	1,153,702,973	1,157,360,078	1,133,688,153
Weighted average number of ordinary shares for the purpose of basic EPS	1,143,422,483	1,140,333,682	1,142,857,680	1,120,934,917
Shares deemed to be issued for no consideration in respect of employee options	15,233,338	13,369,291	14,502,398	12,753,236
Weighted average number of ordinary shares used in the calculation of diluted EPS	1,158,655,821	1,153,702,973	1,157,360,078	1,133,688,153

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

Six Months Ended 30 June 2015	Office equipment US\$'000	Land and buildings US\$'000	Plant and equipment US\$'000	Mining equipment US\$'000	Mine Development properties US\$'000	Stripping Asset US\$'000	Capital WIP US\$'000	Total US\$'000
Cost								
Balance at 31 December 2014	5,383	1,142	565,811	220,654	228,192	-	121,252	1,142,434
Additions	6	-	2	-	-	-	15,502	15,510
Transfers	3	-	19,429	16,532	4,665	-	(40,629)	-
Balance at 30 June 2015	5,392	1,142	585,242	237,186	232,857	-	96,125	1,157,944
Accumulated depreciation								
Balance at 31 December 2014	(4,254)	(177)	(67,744)	(71,798)	(69,497)	-	-	(213,470)
Depreciation and amortisation	(303)	(4)	(15,199)	(14,494)	(12,987)	-	-	(42,987)
Balance at 30 June 2015	(4,557)	(181)	(82,943)	(86,292)	(82,484)	-	-	(256,457)
Year Ended 31 December 2014								
Cost								
Balance at 31 December 2013	4,625	171	284,902	178,374	182,974	-	426,461	1,077,507
Additions	17	-	8	-	6,979	-	61,252	68,256
Decrease in rehabilitation asset	-	-	-	-	(5,161)	-	-	(5,161)
Acquisition of subsidiary	1,080	1,131	814	1,224	-	-	3	4,252
Disposals	(571)	(160)	(724)	(391)	-	-	(574)	(2,420)
Transfers	232	-	280,811	41,447	43,400	-	(365,890)	-
Balance at 31 December 2014	5,383	1,142	565,811	220,654	228,192	-	121,252	1,142,434
Accumulated depreciation								
Balance at 31 December 2013	(3,051)	(23)	(42,747)	(46,326)	(34,774)	-	-	(126,921)
Acquisition of subsidiary	(765)	(146)	(649)	(1,224)	-	-	-	(2,784)
Depreciation and amortisation	(730)	(8)	(24,456)	(24,373)	(34,723)	-	-	(84,290)
Disposals	292	-	108	125	-	-	-	525
Balance at 31 December 2014	(4,254)	(177)	(67,744)	(71,798)	(69,497)	-	-	(213,470)
Net book value								
As at 31 December 2014	1,129	965	498,067	148,856	158,695	-	121,252	928,964
As at 30 June 2015	835	961	502,299	150,894	150,373	-	96,125	901,487

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 12: EXPLORATION AND EVALUATION ASSETS

	Six Months Ended 30 June 2015	Year Ended 31 December 2014
	US\$'000	US\$'000
Balance at the beginning of the period	123,999	59,849
Expenditure for the period	14,018	28,841
Acquisition of Ampella Mining Limited	-	37,637
Impairment of exploration and evaluation asset	-	(2,328)
Balance at the end of the period	<u>138,017</u>	<u>123,999</u>

The exploration and evaluation asset relates to the drilling, geological exploration and sampling of potential ore reserves.

NOTE 13: AVAILABLE-FOR-SALE FINANCIAL ASSETS

The unrealised losses on available-for-sale investments recognised in other comprehensive income were as follows:

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015	2014	2015	2014
	US\$'000	US\$'000	US\$'000	US\$'000
Loss on fair value of investment – other comprehensive income	<u>(235)</u>	<u>-</u>	<u>(99)</u>	<u>-</u>

The available for sale financial asset at period-end relates to a 6.66% (2014 : 11.34%) equity interest in Nyota Minerals Limited (“NYO”), a listed public company, as well as a 0.96% (2014 : 1.6%) equity interest in KEFI Minerals plc (“KEFI”).

As a result of the prolonged decline in the fair value in the prior year of the investment in Nyota, the prior period devaluation had been recognised as an impairment loss in the Statement of Comprehensive Income as follows.

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015	2014	2015	2014
	US\$'000	US\$'000	US\$'000	US\$'000
Impairment loss	<u>(56)</u>	<u>(408)</u>	<u>-</u>	<u>(730)</u>

NOTE 14: SHARE BASED PAYMENTS

Restricted Share Plan

The Company’s new restricted share plan, as approved by shareholders at the recent AGM, allows the Company the right to grant Awards (as defined below) to employees of the Group. Awards may take the form of either conditional share awards, where shares are transferred conditionally upon the satisfaction of performance conditions; or share options, which may take the form of nil cost options or have a nominal exercise price, the exercise of which is again subject to satisfaction of applicable performance conditions.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 14: SHARE BASED PAYMENTS (CONTINUED)

To date the Company has granted 5,145,000 conditional awards to employees of the Group. Conditional share awards and options together constitute "Awards" under the Plan and those in receipt of Awards are "Award Holders".

A detailed summary of the scheme rules is set out in the 2015 AGM proxy materials which are available at www.centamin.com. In brief, Awards will vest following the passing of three years from the date of the Award and vesting will be subject to satisfaction of Performance Conditions. For the purpose of the Performance Conditions, the Award will be divided into up to three tranches to be assessed against separate Performance Conditions measured over a three year period. Although the precise Performance Conditions may vary between Awards, the Performance Conditions adopted at the date of the Plan which apply to the first grant are as follows:

- 20% of the Award shall be assessed by reference to a target total shareholder return (TSR).
- 50% of the Award shall be assessed by reference to absolute growth in earnings per share (EPS).
- 30% of the Award shall be assessed by reference to compound growth in gold production.

The above measures are assessed by reference to current market practice and the Remuneration Committee will have regard to market practice when establishing the precise Performance Conditions for future Awards.

Where the performance conditions have been met, in the case of Conditional Awards, 50% of the total shares under the Award will be issued or transferred to the Award Holders on or as soon as possible following the specified Vesting Date, with the remaining 50% being issued or transferred on the second anniversary of the Vesting Date.

Restricted Share Plan awards granted during the period:

	RSP 2015
Grant date	4 June 2015
Number of instruments	5,145,000
TSR : Fair value at grant date £ ⁽¹⁾	0.5150
TSR : Fair value at grant date US\$ ⁽¹⁾	0.7894
EPS : Fair value at grant date £ ⁽¹⁾	0.6520
EPS : Fair value at grant date US\$ ⁽¹⁾	0.9994
Gold Production : Fair value at grant date £ ⁽¹⁾	0.6520
Gold Production : Fair value at grant date US\$ ⁽¹⁾	0.9994
Vesting period (years)	3
Expected volatility	0 - 72.33%
Expected dividend yield (%)	1.97%

⁽¹⁾ The vesting of 20% the awards granted under this plan are dependent on a TSR performance condition. As relative TSR is defined as a market condition under IFRS 2 "Share-based Payment", this requires that the valuation model used takes into account the anticipated performance outcome. We have therefore applied a Monte Carlo simulation model. The simulation model takes into account the probability of performance based on the expected volatility of Centamin and the peer group companies and the expected correlation of returns between the companies in the comparator group.

The remaining 80% of the awards are subject to EPS and gold production performance conditions. As these are classified as non-market conditions under IFRS 2 they do not need to be taken into account when determining the fair value. These grants have been valued using a Black-Scholes model.

The fair value calculated was then converted at the closing £:US\$ foreign exchange rate on that day.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 15: FINANCIAL INSTRUMENTS' FAIR VALUE DISCLOSURES

The Group has no financial instruments with fair values that are determined by reference to significant unobservable inputs, i.e. those that would be classified as level 3 in the fair value hierarchy, nor have there been any transfers of assets or liabilities between levels of the fair value hierarchy.

The Group's interest in Nyota Minerals Limited and KEFI Minerals plc is classified as an available for sale financial asset (see note 13). The Group carries its interest in Nyota Minerals Limited and KEFI Minerals plc at fair value, and measures its interest using Level 1 unadjusted quoted prices.

The director's consider that the carrying amounts of financial assets and financial liabilities carried at amortised cost approximate their amortised cost.

NOTE 16: NOTES TO THE STATEMENTS OF CASH FLOWS

(a) Reconciliation of cash and cash equivalents

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

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015 US\$'000	2014 US\$'000	2015 US\$'000	2014 US\$'000
Cash and cash equivalents	174,978	106,398	174,978	106,398

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

	Three Months Ended 30 June		Six Months Ended 30 June	
	2015 US\$'000	2014 US\$'000	2015 US\$'000	2014 US\$'000
Profit for the period	18,833	11,330	47,397	31,922
Add/(less) non-cash items:				
Depreciation / amortisation of property, plant and equipment	18,503	21,406	42,987	35,215
Inventory write off	2	-	3	-
Increase / (Decrease) in provisions	178	(533)	1,212	579
Foreign exchange rate (gain) / loss, net	(1,169)	(342)	(1,451)	(743)
Impairment of available-for-sale financial assets	56	408	-	730
Share based payment expense	643	375	1,358	973
Changes in working capital during the period :				
(Increase) / Decrease in trade and other receivables	(673)	848	(560)	4,906
Decrease / (Increase) in inventories	9,609	(1,746)	9,970	4,920
(Increase) / Decrease in prepayments	(4,329)	188	(3,995)	597
Decrease / (Increase) in trade and other payables	8,112	(11,676)	8,369	(31,518)
Cash flows generated from operating activities	49,765	20,258	106,290	47,581

(c) Non-cash financing and investing activities

There have been no non-cash financing and investing activities during the current or comparative period quarter other than the Ampella asset acquisition as disclosed in Note 12.

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND SIX MONTHS ENDED 30 JUNE 2015 (CONTINUED)

NOTE 17: SUBSEQUENT EVENTS

The Directors declared an interim dividend of 0.97 cent per share (US\$0.0097) on Centamin plc ordinary shares (totalling approximately US\$11 million). The interim dividend for the half year period ending 30 June 2015 will be paid on 9 October 2015 to shareholders on the register on the Record Date of 4 September 2015.

Other than the above, there has not arisen in the interval between the end of the financial period and the date of this report any item, transaction or event of a material and unusual nature likely in the opinion of the Directors of the Company to affect significantly the operations of the company, the results of those operations, or the state of affairs of the Company in subsequent financial periods.

The accompanying Form 52 109FS Certification of interim filings are published, inter alia, for the purposes, of discharging the Company's obligations arising in connection with the listing of its shares on the Toronto Stock Exchange.