



CENTAMIN EGYPT LIMITED

REMUNERATION POLICY

AUSTRALIA

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EGYPT

361 El-Horreya Road, Sedi Gaber, Alexandria, Egypt
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Centamin Egypt Limited and its subsidiaries ("Centamin" or "the Company") is committed to ensuring that its remuneration practices enable the Company to:

- ❖ Attract and retain the most qualified and experienced candidates;
- ❖ Motivate employees to perform in the best interests of the Company and its stakeholders;
- ❖ Appropriately compensate employees for the services they provide to the Company;
- ❖ Provide an appropriate level of transparency; and
- ❖ Ensure a level of equity and consistency across the Group.

The structure of Non-Executive Director and Senior Executive remuneration is separate and distinct.

1 REMUNERATION OF KEY SENIOR EXECUTIVES

The policy of the Board is to pay base salaries which are competitive with those paid to Executives in organisations of similar size and market sector, to motivate Executives to pursue the long-term growth and success of the Company. Senior Executives are given formal job descriptions and a letter of appointment describing their term of office, duties, rights and responsibilities as well as any termination entitlements.

Remuneration packages are reviewed and determined with regard to current market rates and are benchmarked against comparable industry salaries, adjusted by a performance factor to reflect changes in the performance of the Company. Remuneration packages comprise a fixed cash component, statutory superannuation contributions, fringe benefits, an annual merit based performance bonus and where applicable, equity-based remuneration in the form of employee options.

In order to retain the executive Directors and Senior Executives, performance related bonuses will be awarded on the achievement of agreed performance criteria that are approved by the Nomination and Remuneration Committee. It is the policy of the Board that the performance criteria of all such bonuses should be relevant and stretching. Criteria used to determine the annual merit based performance bonus is the setting of key objectives for each executive and measuring performance against these targets which centre on Company performance, improvement in net profit and improvement in return to shareholders.

Share Options are offered to Executives at the discretion of the Directors, having regard, among other things, to the length of service with the Group, the past and potential contribution of the person to the Group, and in some cases, performance.

2 REMUNERATION OF EXECUTIVE DIRECTORS

The policy of the Board is to remunerate Executive Directors by way of fixed and incentive pay, reflecting short and long term performance objectives appropriate to the Company's circumstances and goals. Like Senior Executive Employees, Executive Directors receive a fixed base salary, fringe benefits and if warranted, performance bonuses. Executive Directors are given formal job descriptions and a letter of appointment describing their term of office, duties, rights and responsibilities as well as any termination entitlements. Executive Directors do not receive retirement benefits other than superannuation (Australian resident Directors only). Performance related bonuses will be awarded on achievement of agreed performance criteria that are approved by the Nomination and Remuneration Committee.

3 REMUNERATION OF NON-EXECUTIVE DIRECTORS

The Board seeks to set aggregate remuneration at a level which provides the Company with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

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All new members of the Board are to be provided with a formal letter of appointment setting out the key terms and conditions to the appointment. The Board policy is to remunerate Non-Executive Directors at market rates for comparable companies for time, commitment and responsibilities. Director fees are not linked to the performance of the Company.

Each Non-Executive Director receives a fee in the form of cash and if applicable, superannuation benefits, for being a Director of the Company. Directors who are called upon to perform extra services beyond the Director's ordinary duties may be paid additional fees for those services. No non-executive directors receive retirement benefits other than superannuation (Australian resident Directors only), or bonuses.

The Board determines payments to the Non-Executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required. The overall level of annual non-executive Director fees is approved by shareholders in accordance with the requirements of the Corporations Act. Directors decide on actual fees, set by reference to the market and within the bounds of the shareholder approval. The total remuneration for all Non-Executive Directors is not to exceed A\$300,000 per annum as approved by shareholders in November 2008. The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board may consider advice from external consultants as well as the fees paid to Non-Executive Directors of comparable companies when undertaking the annual review process.

Directors are from time to time invited to participate in the shareholder approved Employee Option Plan. Shareholder approval is sought before any Director can be issued unquoted Options.

Non-Executive Directors have long been encouraged by the Board to hold shares in the Company. It is considered good governance for Directors to have a stake in the Company on whose Board he or she sits.

4 TERMINATION

Termination payments for Senior Executives and Non-Executive Directors are based on specific contractual arrangements. The basis for determining entitlements in the event of termination is consistent with the contractual obligations set out in those documents, which in turn align with market norms and practice. There will be no payment for removal for misconduct, other than statutory requirements.

5 EMPLOYEE OPTION PLAN

The Board believes that the granting of share incentives encourages a broad alignment of the interests of the executive Directors and Senior Executives with the earnings and asset growth of the Company to the mutual benefit of both shareholders and participants.

Employee options are offered to Eligible Employees under the terms of the shareholder approved Employee Option Plan as a long-term component of remuneration provided to employees and occasionally, directors, on an adhoc basis. Options awarded through the Plan have an exercise price established on the basis of the market price at the time of approval, a three year vesting period and either time based, or performance hurdles. Values disclosed for options awarded are determined by using the Black-Scholes formula. The total number of options that can be awarded is limited to 5% of total number of shares on issue.

The Employee Option plan should be renewed at least every three years and approved/ratified by Shareholders so that the Plan remains exempt from ASX LR 7.1.

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6 DISCLOSURE OF REMUNERATION

Total remuneration reported will include appropriate values for all elements of remuneration, incorporating fixed remuneration, performance-based remuneration comprising payments made or value provided for at-risk components, superannuation and value for benefits provided and equity-based components of remuneration. Where possible, reported remuneration will relate to the year in which the remuneration is earned.

Other than disclosure included in annual reports, annual information forms or proxy circulars, remuneration information is confidential between the Company and the employee, other than when disclosure is required by law, and there is a mutual obligation and expectation to retain that confidentiality. Remuneration data may be used for valid internal benchmarking, review and analysis and may be disclosed pursuant to regulatory and compliance requirements, but is otherwise required to be dealt with sensitively and confidentially. Similarly, performance data are to be used only for performance management and related review processes.

7 ORIENTATION / INDUCTION

Although the Company does not provide a formal orientation or education program, all new Directors and Senior Executives are provided with an orientation package which includes reports on operations and results, Company policies, Code of Conduct and public disclosure filings by the Company. Board meetings are often combined with presentations by the Company's management and employees to give additional insight into the Company's business. Management is also available for discussion with all new Directors and Senior Executives.

8 AMENDMENT OF THIS POLICY

This Policy has been adopted by the Board of Centamin. Any amendment to this Policy can only be approved by the Centamin Board.

The Board has the responsibility of reviewing this Policy on a regular basis to ensure compliance with the law and corporate governance best practice.

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