

Centamin plc

("Centamin" or "the Company" or "Group", including its subsidiaries)
LSE: CEY / TSX: CEE

WEST AFRICAN PORTFOLIO REVIEW CONFIRMS POSITIVE GROWTH POTENTIAL

Centamin is pleased to announce the results of the Company's review of its West African exploration portfolio, following which the Board has approved the commencement of a pre-feasibility study ("PFS") at Doropo, a further exploration programme at ABC and a review of the third-party development options at Batie West.

The review, which commenced in H2 2020, was designed to evaluate the potential development prospects of the portfolio, to rank each project and to define the pathway to realising value. The review was led by the Company's Projects team, with the support of industry-leading consultants, including Lycopodium, Cube Consulting, Knight Piesold and ECG Engineering.

HIGHLIGHTS

- The Doropo Project shows strong development potential with the completion of a positive preliminary economic assessment ("PEA"):
 - US\$234 million post-tax net present value ("NPV_{5%}") with a 21% internal rate of return ("IRR") at US\$1,450/oz gold price
 - US\$487 million NPV_{5%} with a 33% IRR at consensus gold price per ounce of US\$1,829/oz ("consensus")
 - Total development capital expenditure ("CAPEX") of US\$275 million, including a 15% contingency
 - 13 year life of mine ("LOM") based on the updated mineral resource estimate of 0.16 million ounces (Measured and Indicated) and 5.21 million ounces (Inferred) of gold, with potential to further increase gold resources across the permits
 - Average annual gold production of 207,800 ounces for the first five years, averaging 150,956 ounces over the LOM, for a total of 2.0 million ounces produced at an average AISC of US\$904/oz
 - **Board has approved US\$14 million spend to advance the project to PFS stage by mid-2022.**
- The ABC Project continues to deliver strong priority greenfield target generation along the 60km Lolosso Gold Corridor ("LGC") and the **Board has approved a further US\$3 million exploration programme for the Kona and FarakoNafana permits for the period to June 2022.**
- The PEA for the Batie West Project also delivers positive results:
 - US\$63 million NPV_{5%} with an 11% IRR at US\$1,450/oz gold price
 - US\$282 million NPV_{5%} and a 26% IRR at consensus gold price
 - Total development CAPEX of US\$265 million, including a 15% contingency
 - 8.5 year LOM based on the updated mineral resource estimate of 2.13 million ounces (Measured and Indicated) and 0.1 million ounces (Inferred) of gold
 - Average annual gold production averaging 139,994 ounces over the LOM, for a total production of 1.2 million ounces of gold at an average AISC of US\$998/oz
 - **Board has approved the assessment of third-party development options as the project does not currently meet Centamin's investment criteria.**

MARTIN HORGAN, CEO commented: *"Building a strong active growth pipeline is central to our strategy, while maintaining our capital allocation discipline. Today's announcement of a positive preliminary economic study at Doropo and the exploration potential at the earlier stage ABC, demonstrate the quality and potential of our portfolio."*

The Batie West Project has potential to deliver a profitable mine, but not one that would currently meet our strict investment criteria. We are now initiating a review of development options for this asset.

The Doropo Project is very exciting and is our priority growth target outside of Egypt, showing excellent potential to become Centamin's second mine. Our highly experienced team has proven expertise at delivering successful gold projects in West Africa and will now commence the PFS, the results of which we look forward to announcing in mid-2022."

WEST AFRICA PROJECT PIPELINE BY RANK

	DOROPO PROJECT	ABC PROJECT	BATIE WEST PROJECT
Location	<i>Côte d'Ivoire</i>	<i>Côte d'Ivoire</i>	<i>Burkina Faso</i>
Priority Rank	1	2	3
Stage	PEA	Greenfield Exploration	PEA
Resources			
Measured & Indicated	0.16Moz	0.65Moz	2.13Moz
Inferred	5.21Moz	0.5Moz	0.1Moz
Life of Mine ("LOM")	13 years	n/a	8.5 years
Production & Costs			
Years 1-5 (average)			
Production (koz)	208	n/a	148
AISC (US\$/oz)	769	n/a	974
LOM (average)			
Production (koz)	151	n/a	140
AISC (US\$/oz)	904	n/a	998
Capital expenditure (US\$m)	275	n/a	265
Economics			
US\$1,450/oz gold price			
Post-tax NPV _{5%} (US\$m)	234	n/a	63
IRR (%)	21	n/a	11
Consensus gold price (US\$1829/oz)			
Post-tax NPV _{5%} (US\$m)	487	n/a	282
IRR (%)	33	n/a	26
Next Steps	<i>Complete PFS by mid-2022</i>	<i>MRE update by mid-2022</i>	<i>Assessing strategic opportunities</i>

Note. The PEA(s) are preliminary in nature and include the use of Inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as mineral reserves and, as such, there is no certainty that the studies will be realised. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

FOR MORE INFORMATION

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BACKGROUND

DOROPO PROJECT (CÔTE D'IVOIRE)

The Doropo Project ("Doropo") consists of seven exploration permits, covering an area of approximately 2,300km². Doropo is in the northeast of Côte d'Ivoire, between the Comoè National Park and the international border with Burkina Faso, and approximately 650km north of Abidjan.

Geologically, Doropo lies entirely within the Tonalite-Trondhjemite-Granodiorite domain, bounded on the eastern side by the Boromo-Batie greenstone belt, in Burkina Faso, and by the Tehini-Hounde greenstone belt on the west.

Currently 67% of the defined mineral resource deposits sit within a 10km radius, with the Vako and Kiloasegui deposits 15km and 30km, respectively, to the southwest. Mineralisation is associated with discrete structures of intense silica-sericite alteration, focused within and along the margins of narrow (between 5-10 metres wide, expanding to 20-25 metres in areas) dextral shear zones.

During 2020 the Company's experienced exploration team has completed approximately 74,000 metres of drilling which supported year-on-year total resource growth at Doropo. The updated Mineral Resource estimate, as prepared by Cube Consulting, is 2.34 million tonnes at 2.13g/t gold containing 0.16 million ounces of gold Indicated resources and 142.9 million tonnes at 1.13g/t containing 5.21 million ounces of gold Inferred resources ("MRE") representing a 50% increase in total mineral resources. Although the revised approach has led to a reclassification of some material previously included as Measured and Indicated, 70,000 metres of drilling will be completed as part of the PFS work programme to bring the resources into the M&I categories.

Positive Preliminary Economic Assessment

Doropo shows good development potential with the positive PEA demonstrating a 13-year life of mine with the potential to produce 208koz per annum over the first five years of production for an initial development capital cost of US\$275 million including a 15% of contingency. Sustaining capital costs are forecast to be US\$90 million, including a closure provision of US\$18 million. The project supports a post-tax NPV_{5%} of US\$234 million and IRR of 21% at a long-term gold price of US\$1,450/oz.

The Doropo PEA is based on the updated MRE but work does not include Tchouahinan, Nare, Hinda and Vako deposits. The opportunity to include these deposits might be re-evaluated at later assessment phases.

The PEA assumes contractor open pit mining to access multiple pits, with oxide ore recovered by conventional free milling, carbon in leach ("CIL") processing flowsheet and an additional sulphide floatation and ultra-fine grind concentrate for the sulphide ore. A processing rate of 4.9 million tonnes per annum is anticipated for the free milling material dropping to 4.4 million tonnes per annum in the fresh material. Based on metallurgical test work, overall recoveries are forecast to average 90% in the free milling material and fresh ores over the life of mine.

A total of 2.0 million ounces are forecast to be recovered over the life of mine at an average cash cost of US\$796/oz and an AISC of US\$904/oz.

Power is anticipated to be generated through a 27MW liquefied natural gas ("LNG") power station which will be built and operated by an independent power provider. A lined tailings storage facility has been assumed and designed to an ANCOLD specification, with a cyanide destruction circuit for tailings management.

Next Steps

The PEA confirms that Doropo has robust economics and excellent potential to become a profitable producing mine suitable for Centamin's investment criteria and strategy. The Board has approved US\$14 million of spend over the next twelve months to progress to a PFS. This includes a 70,000-metre infill drilling programme, geotechnical drilling programme, open pit optimisation, further metallurgical testing, and environmental and social screening and scoping assessments.

The Company expects to announce the PFS in mid-2022.

ABC PROJECT (CÔTE D'IVOIRE)

The ABC Project ("ABC") is in northwest Côte d'Ivoire, approximately 550km northwest of Abidjan and 460km west of Centamin's Doropo project.

ABC comprises two exploration permits, Kona and FarakoNafana, which cover 750km² of prospective geology straddling the Sassandra Shear Zone along the contact zone between the Birimian terrane to the east and the Archaean craton to the west. Exploration by the Company to date has delineated a north to south trending gold-mineralised corridor - the Lolosso Gold Corridor ("LGC") - over a 30km strike length within the Kona permit. The Company has made applications for a further five exploration permits covering potential strike extensions to this mineralised belt.

ABC is at an early stage of exploration, however, exploration drilling in 2019-20 has delineated gold mineralisation over a 10km strike length at the Kona Central and Kona South prospects. In addition, geochemical anomalies indicate potential gold mineralisation at the Kona North prospect and at the FarakoNafana permit – although these areas have not yet been drill-tested.

Geology

The LGC is typically 300m to 800m wide and the underlying geology comprises a greenschist to lower amphibolite facies Birimian age volcano-sedimentary package thrust between an earlier granitoid block of Archaean age to the west and Birimian paragneiss on the east. The eastern footwall contact is a major structural and metamorphic feature, and it controls the regional setting of the gold mineralisation along the corridor. The paragneiss is interpreted to be the stratigraphic continuity of the detrital sediments but has a higher metamorphic grade.

Surface geochemistry maps the core of the LGC along a 23km strike length, which runs north to south through the Kona permit. The two main prospects, identified by the initial mapping and rock chip sampling, were subdued silicified ledges in the topography. These anomalous ridges developed into the Kona South and Kona Central Prospects. On a regional scale, mapping and airborne magnetic and radiometric data identifies the LGC as a 60km structural feature.

Reverse Circulation ("RC") and Core drilling (50 metre drill hole spacing) at the Kona South and Kona Central prospects has delineated significant widths of mineralisation at the contact of a calc-silicate and psammite unit, with gold mineralisation confined to the latter more brittle rock type.

Next Steps

A US\$3 million exploration budget for the period to June 2022 has been approved for further exploration of the ABC permits. Soil geochemical surveys are currently underway covering both permit areas, which will likely generate further drill targets within the LGC. In addition, closer spaced drilling (25 x 50 metre) will be undertaken to better define the continuity of gold mineralisation at Kona South and Kona Central prospects and exploration drilling is also planned for the Kona North prospect and at FarakoNafana. Further metallurgical work, as well as gold deportment and mineralogical studies, will also be carried out on the Kona South and Kona Central mineralisation.

BATIE WEST PROJECT (BURKINA FASO)

The Batie West Project ("Batie West") consists of one exploitation license valid until November 2021 and four exploration permits, covering an area of approximately 380km². Batie West is in the southwest of Burkina Faso, within the Southern Nounbiel Province, bordering Ghana and Côte d'Ivoire, and is approximately 290km southwest of the Burkinabe capital of Ouagadougou.

Batie West is 10km northeast of the Doropo main mineral resource area. Geologically, Batie is hosted along the southwestern margin of the Birimian Boromo greenstone belt, on the Batie West Shear Zone ("BWSZ"). The BWSZ is a major crustal scale shear zone that traverses the western margin of the greenstone belt.

Batie West has three main orebodies: Konkera Main, Konkera North and Kouglaga. The Konkera deposits are a shear zone hosted style quartz-vein gold deposit. Similar deposits are found in the late Proterozoic Birimian terranes of West Africa. Gold mineralisation is typically associated with quartz veins with minor amounts of carbonate, tourmaline, sulphides and native gold.

Aligned with our disciplined capital allocation framework, there has been no drilling at Batie West since 2018. Through reassessment of existing data sets and independent reports, the Company has built upon work done previously, to iteratively assess the viability of the project.

Positive PEA

Batie West is a viable project with an 8.5-year life of mine producing on average 140koz per annum for an initial development capital cost of US\$265 million, including 15% of contingency. The project forecasts a post-tax NPV_{5%} of US\$63 million using long term gold price of US\$1,450/oz gold price.

The Batie West PEA is based only on the mineral resource estimate of 56.7 million tonnes at 1.2g/t containing 2.13 million ounces of gold Measured and Indicated resources, and 2.8 million tonnes at 1.1g/t containing 0.1 million ounces of gold Inferred resources. This study does not include Konkera Main East, which is relatively small and was found to be uneconomic to process and not included in the current mine planning.

The study utilised an open pit, contractor mining operation with optimisation studies completed for Konkera Main, Konkera North and Kouglaga to accommodate a staged development for each deposit, allowing for efficient resource extraction at acceptable stripping ratios. Extensive previous test work alongside a more recent review by Lycopodium resulted in processing via conventional free milling and CIL processing and an additional sulphide floatation and ultra-fine grind concentrate grind for the fresh ore. Like Doropo, a process rate of 4.9 million tonnes per annum is anticipated for the free milling material dropping to 4.4 million tonnes per annum in the fresh material. Based on metallurgical test work, recoveries are forecast to be 81%, including the free milling material and fresh ores.

A total of 1.2 million ounces of gold are forecast to be recovered over the life of mine at average cash costs of US\$859/oz and AISC of US\$998/oz.

Power is anticipated to be generated through a 27MW LNG power station which will be built and operated by an independent power provider. A lined tailings storage facility has been assumed and designed to ANCOLD specification, with a cyanide destruction circuit for tailings management.

Next Steps

The study confirms that Batie West has viable economics and strong potential to become a profitable producing mine but ranked against the Company's project pipeline and internal hurdles for capital allocation, is non-core for Centamin and the Company will strategically assess third party opportunities to develop or realise the project's value.

MINERAL RESOURCE ESTIMATES

The mineral resource data presented in the tables included in this document comprise a summary extract for the mineral resource reports for the Group's properties in West Africa and do not include the mineral resources for the Company's flagship asset, Sukari Gold Mine. For comparative purposes, data for 2020 has been included where possible. Numbers have been rounded and therefore there may be small differences in the totals. Varying cut-off grades have been clearly stated.

	Category	2021			2020		
		Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)	Tonnage (Mt)	Grade (g/t)	Gold Content (Moz)
DOROPO PROJECT 0.5g/t cut-off grade	Measured	-	-	-	5.2	1.52	0.26
	Indicated	2.34	2.13	0.16	56.1	1.21	2.18
	M+I	2.34	2.13	0.16	61.3	1.22	2.44
	Inferred	142.9	1.13	5.21	30.1	1.1	1.04
ABC PROSPECT 0.5g/t cut-off grade	Measured	-	-	-	-	-	-
	Indicated	20	1.03	0.65	20	1.03	0.65
	M+I	20	1.03	0.65	20	1.03	0.65
	Inferred	16	0.9	0.5	16	0.9	0.5
BATIE WEST PROJECT 0.5g/t cut-off grade	Measured	-	-	-	-	-	-
	Indicated	56.7	1.17	2.13	34	1.70	1.92
	M+I	56.7	1.17	2.13	34	1.70	1.92
	Inferred	2.8	1.1	0.1	25	1.7	1.3

RESOURCE NOTES

Doropo Project

- The estimation method is Ordinary Kriging using dynamic anisotropy and Local Uniform Conditioning
- Classifications of Indicated and Inferred has been based primarily on the estimation quality parameters, including the quality of the domain variograms, the conditional bias slope and average distance to informing data
- The reported estimates are limited to blocks with a maximum depth of 250 metres below surface and within 80 metres of drill hole data
- All available data was used as at 31 October 2020
- A cut-off grade of 0.5 g/t gold is used for reporting as it is believed that the majority of the reported resources can be mined at that grade.

ABC Project

- The estimation method is Multiple Indicator Kriging using GS3 software
- Indicated resources occur in areas drilled at approximately 50 x 50 metre spacing and Inferred resources exist in areas of broader spaced drilling
- The reported estimates are limited to blocks with a maximum depth of 250 metres below surface and within 100 metres of drill hole data
- All available ABC data was used as of 10 December 2018
- A cut-off grade of 0.5 g/t gold is used for reporting as it is believed that the majority of the reported resources can be mined at that grade.

The Doropo and ABC resource data sets include Reverse Circulation and Diamond drill data with gold estimates based on 50-gram Fire Assay analysis completed at Bureau Veritas Mineral Laboratories, Abidjan.

Batie West Project

- The open pit Mineral Resources are estimates of recoverable tonnes and grade using Multiple Indicator Kriging with block support correction produced using GS3 software
- Indicated resources occur in areas drilled at approximately 25 x 50 metre spacing and Inferred resources exist in areas of broader spaced drilling
- The reported open pit Mineral Resource estimate is restricted to a US\$1,900/oz pit shell and reported using a 0.5 g/t gold cut-off grade. The reported Mineral Resource extends over a strike length of approximately 5.2km, a width of 480 metres and extends to a depth of 310 metres
- All available Reverse Circulation and Diamond drilling samples were used as at 1 January 2020. The resource data set comprised 106,738 two-metre down hole composite samples.

QUALIFIED PERSONS

Information of a scientific or technical nature in this document, including but not limited to the Mineral Reserve and Mineral Resource estimates, was prepared by and under the supervision of the Group Qualified Persons, Howard Bills, Group Exploration Manager, and Craig Barker, Group Mineral Resource Manager, and independent Qualified Person(s) as below:

- Doropo Project: Richard Adams of Cube Consulting Pty Ltd
- ABC Project: Rupert Osborn of H&S Consultants Pty Ltd

A "Qualified Person" is as defined by the National Instrument 43-101 of the Canadian Securities Administrators. The named Qualified Person(s) have verified the data disclosed, including sampling, analytical, and test data underlying the information or opinions contained in this announcement in accordance with standards appropriate to their qualifications. Each Qualified Person consents to the inclusion of the information in this document in the form and context in which it appears.

Investors should be aware that the figures stated are estimates and no assurances can be given that the stated quantities of metal will be produced.

Mineral Resource Estimates contained in this document are based on available data as at:

- Doropo Project 31 October 2020
- ABC Project 10 December 2018
- Batie West Project 1 January 2020

ENDNOTES

Guidance

The Company actively monitors the developments of the COVID-19 pandemic and timelines may be impacted if the workforce (including contractors), supply chain or scheduled activities are disrupted.

Consensus gold price

Source: BMO Capital Markets. Five-year consensus gold price of US\$1,829/oz, as at 31 March 2021.

Financials

Financial data points included within this report are unaudited.

The PEA(s) are preliminary in nature and include the use of Inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorised as mineral reserves and, as such, there is no certainty that the studies will be realised. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Non-GAAP measures

This statement includes certain financial performance measures which are not GAAP measures as defined under International Financial Reporting Standards (IFRS). These include Cash costs of production and AISC. Management believes these measures provide valuable additional information for users. Definitions and explanation of the measures used are detailed in the Company's 2020 Annual Report <https://www.centamin.com/investors/results-reports/>.

Forward-looking Statements

This announcement (including information incorporated by reference) contains "forward-looking statements" and "forward-looking information" under applicable securities laws (collectively, "forward-looking statements"), including statements with respect to future financial or operating performance. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "believes", "expects", "expected", "budgeted", "forecasts" and "anticipates" and include statements concerning targets for future and further growth, timing to complete the PFS, development potential, expected NPV_{5%} and CAPEX, potential increases in resources and other future plans or expectations. Although Centamin believes that the expectations reflected in such forward-looking statements are reasonable, Centamin can give no assurance that such expectations will prove to be correct. Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Centamin about future events and are therefore subject to known and unknown risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. In addition, there are a number of factors that could cause actual results, performance, achievements or developments to differ materially from those expressed or implied by such forward-looking statements; the risks and uncertainties associated with the ongoing impacts of COVID-19 or other pandemic, general business, economic, competitive, political and social uncertainties; the results of exploration activities and feasibility studies; assumptions in economic evaluations which prove to be inaccurate; currency fluctuations; changes in project parameters; future prices of gold and other metals; possible variations of ore grade or recovery rates; accidents, labour disputes and other risks of the mining industry; climatic conditions; political instability; decisions and regulatory changes enacted by governmental authorities; delays in obtaining approvals or financing or completing development or construction activities; and discovery of archaeological ruins. 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 information or statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19. Forward-looking statements contained herein are made as of the date of this announcement and the Company disclaims any obligation to update any forward-looking statement, whether as a result of new information, future events or results or otherwise. Accordingly, readers should not place undue reliance on forward-looking statements.

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