

**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION (unaudited)**

*Tenge million*

	Notes	June 30, 2016 Unaudited	December 31, 2015 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	271,453	234,367
Intangible assets		9,331	9,619
Investments in joint ventures	6	156,515	154,453
Investments in associate	7	148,419	154,241
Receivable from a jointly controlled entity		23,728	21,602
Loans receivable from joint ventures	6	30,373	27,941
Other financial assets	8	36,360	33,760
Deferred tax asset		65,695	71,904
Other assets		5,005	5,717
<b>Total non-current assets</b>		<b>746,879</b>	<b>713,604</b>
<b>Current assets</b>			
Inventories		21,821	23,102
Income taxes prepaid		50,043	36,225
Taxes prepaid and VAT recoverable		17,907	16,132
Mineral extraction and rent tax prepaid		6,064	6,064
Prepaid expenses		29,426	30,135
Trade and other receivables	8	117,280	105,443
Receivable from a jointly controlled entity		8,801	8,822
Other financial assets	8	658,875	833,912
Cash and cash equivalents	8	380,074	237,310
<b>Total current assets</b>		<b>1,290,291</b>	<b>1,297,145</b>
<b>Total assets</b>		<b>2,037,170</b>	<b>2,010,749</b>
<b>EQUITY</b>			
Share capital	9	164,670	163,004
Other capital reserves		3,240	3,945
Retained earnings		1,329,343	1,311,759
Other components of equity		334,024	333,141
<b>Total equity</b>		<b>1,831,277</b>	<b>1,811,849</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings		5,095	5,990
Deferred tax liability		240	240
Provisions	10	46,165	45,264
<b>Total non-current liabilities</b>		<b>51,500</b>	<b>51,494</b>
<b>Current liabilities</b>			
Borrowings		5,572	5,585
Provisions	10	71,818	70,010
Income taxes payable		13	13
Mineral extraction tax and rent tax payable		24,637	22,249
Trade payables and other liabilities		52,353	49,549
<b>Total current liabilities</b>		<b>154,393</b>	<b>147,406</b>
<b>Total liabilities</b>		<b>205,893</b>	<b>198,900</b>
<b>Total liabilities and equity</b>		<b>2,037,170</b>	<b>2,010,749</b>

*The accompanying notes on pages 5-16 are the integral part of these condensed consolidated interim financial statements (unaudited).*

**CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (unaudited)**

*Tenge million*

	Notes	Three months ended June 30,		Six months ended June 30,	
		2016	2015	2016	2015
Revenue	11	192,176	124,373	313,366	241,105
Share of results of associate and joint ventures	6, 7	(3,020)	(2,647)	(6,710)	1,907
Finance income		6,260	5,547	14,275	11,735
<b>Total revenue and other income</b>		<b>195,416</b>	<b>127,273</b>	<b>320,931</b>	<b>254,747</b>
Production expenses	12	(68,591)	(51,208)	(123,209)	(109,172)
Selling, general and administrative expenses	13	(32,281)	(27,610)	(62,597)	(54,050)
Exploration expenses		–	(128)	–	(477)
Depreciation, depletion and amortization		(6,728)	(6,274)	(13,349)	(10,620)
Taxes other than on income	14	(45,115)	(34,194)	(79,310)	(82,573)
Allowance for VAT recoverable	17	(6,936)	–	(6,936)	–
Loss on disposal of property, plant and equipment	5	(151)	(3)	(282)	(75)
Finance costs		(925)	(850)	(1,866)	(1,931)
Foreign exchange (loss)/gain, net		(11,864)	1,579	1,449	18,634
<b>Profit before tax</b>		<b>22,825</b>	<b>8,585</b>	<b>34,831</b>	<b>14,483</b>
Income tax expense	15	(6,500)	(7,278)	(17,582)	(11,594)
<b>Profit for the period</b>		<b>16,325</b>	<b>1,307</b>	<b>17,249</b>	<b>2,889</b>
Foreign currency translation difference	2	(8,548)	1,227	883	1,585
<b>Other comprehensive (loss)/income for the period to be reclassified to profit and loss in subsequent periods</b>		<b>(8,548)</b>	<b>1,227</b>	<b>883</b>	<b>1,585</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>7,777</b>	<b>2,534</b>	<b>18,132</b>	<b>4,474</b>
<b>Earnings per share – Tenge thousands</b>					
Basic and diluted		0.24	0.02	0.25	0.04

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**CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS (unaudited)**

*Tenge million*

	Notes	Six months ended June 30,	
		2016	2015
<b>Cash flows from operating activities</b>			
Profit before tax		34,831	14,483
Adjustments to add/(deduct) non-cash items			
Depreciation, depletion and amortisation		13,349	10,620
Share of result of associate and joint ventures		6,710	(1,907)
Loss on disposal of property, plant and equipment (PPE)	5	282	75
Dry well expense on exploration and evaluation assets		–	51
Recognition of share-based payments		1,350	–
Unrealised foreign exchange gain on non-operating activities		(1,387)	(14,412)
Change in provisions		2,372	9,437
Allowance for VAT recoverable	17	6,936	–
Other non-cash income and expense		348	857
Add finance costs		1,866	1,931
Deduct finance income		(14,275)	(11,735)
Working capital adjustments			
Change in other assets		(3,056)	99
Change in inventories		1,246	6,138
Change in taxes prepaid and VAT recoverable		(9,483)	1,536
Change in prepaid expenses		709	8,204
Change in trade and other receivables		(19,948)	18,510
Change in trade and other payables		4,449	(14,116)
Change in mineral extraction and rent tax payable and prepaid		13,388	(2,782)
Income tax paid		(35,248)	(26,874)
<b>Net cash generated from operating activities</b>		<b>4,439</b>	<b>115</b>
<b>Cash flows from investing activities</b>			
Purchases of PPE	5	(49,484)	(44,086)
Proceeds from sale of PPE		384	34
Purchases of intangible assets		(430)	(640)
Loans provided to joint ventures		(1,468)	(1,676)
Dividends received from joint ventures and associate, net of withholding tax	6, 7	9,696	4,626
Withdrawals of term deposits, net		166,625	35,880
Interest received		8,576	6,443
<b>Net cash generated from investing activities</b>		<b>133,899</b>	<b>581</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(924)	(595)
Dividends paid to Company's shareholders		(35)	(65)
<b>Net cash used in financing activities</b>		<b>(959)</b>	<b>(660)</b>
<b>Net change in cash and cash equivalents</b>		<b>137,379</b>	<b>36</b>
Cash and cash equivalents at the beginning of the period	8	237,310	180,245
Exchange gain on cash and cash equivalents		5,385	2,442
<b>Cash and cash equivalents at the end of the period</b>	<b>8</b>	<b>380,074</b>	<b>182,723</b>

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**CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (unaudited)**

*Tenge million*

	Share capital	Treasury stock	Other capital reserves	Retained earnings	Foreign currency translation reserve	Total equity
<b>As at December 31, 2014 (audited)</b>	<b>263,095</b>	<b>(100,091)</b>	<b>2,355</b>	<b>1,098,170</b>	<b>75,587</b>	<b>1,339,116</b>
Profit for the period	–	–	–	2,889	–	2,889
Other comprehensive income	–	–	–	–	1,585	1,585
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,889</b>	<b>1,585</b>	<b>4,474</b>
Dividends (Note 9)	–	–	–	(30,080)	–	(30,080)
<b>As at June 30, 2015 (unaudited)</b>	<b>263,095</b>	<b>(100,091)</b>	<b>2,355</b>	<b>1,070,979</b>	<b>77,172</b>	<b>1,313,510</b>
<b>As at December 31, 2015 (audited)</b>	<b>263,095</b>	<b>(100,091)</b>	<b>3,945</b>	<b>1,311,759</b>	<b>333,141</b>	<b>1,811,849</b>
Profit for the period	–	–	–	17,249	–	17,249
Other comprehensive income	–	–	–	–	883	883
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>17,249</b>	<b>883</b>	<b>18,132</b>
Recognition of share-based payments	–	–	1,350	–	–	1,350
Forfeiture of share-based payments	–	–	(2)	–	–	(2)
Exercise of employee options	–	1,666	(2,053)	387	–	–
Dividends (Note 9)	–	–	–	(52)	–	(52)
<b>As at June 30, 2016 (unaudited)</b>	<b>263,095</b>	<b>(98,425)</b>	<b>3,240</b>	<b>1,329,343</b>	<b>334,024</b>	<b>1,831,277</b>

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