

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

*Tenge million*

	Notes	September 30, 2016 Unaudited	December 31, 2015 Audited
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	5	280,420	234,367
Intangible assets		10,014	9,619
Investments in joint ventures	6	157,126	154,453
Investments in associate	7	143,319	154,241
Receivable from a jointly controlled entity		24,641	21,602
Loans receivable from joint ventures	6	31,517	27,941
Other financial assets	8	35,973	33,760
Deferred tax asset		62,279	71,904
Other assets		2,940	5,717
<b>Total non-current assets</b>		<b>748,229</b>	<b>713,604</b>
<b>Current assets</b>			
Inventories		26,330	23,102
Income taxes prepaid		48,967	36,225
Taxes prepaid and VAT recoverable		41,123	16,132
Mineral extraction and rent tax prepaid		6,064	6,064
Prepaid expenses		25,848	30,135
Trade and other receivables	8	59,071	105,443
Receivable from a jointly controlled entity		8,717	8,822
Other financial assets	8	905,952	833,912
Cash and cash equivalents	8	213,357	237,310
<b>Total current assets</b>		<b>1,335,429</b>	<b>1,297,145</b>
<b>Total assets</b>		<b>2,083,658</b>	<b>2,010,749</b>
<b>EQUITY</b>			
Share capital	9	165,324	163,004
Other capital reserves		2,471	3,945
Retained earnings		1,387,932	1,311,759
Other components of equity		326,885	333,141
<b>Total equity</b>		<b>1,882,612</b>	<b>1,811,849</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings		4,596	5,990
Deferred tax liability		138	240
Provisions	10	46,377	45,264
<b>Total non-current liabilities</b>		<b>51,111</b>	<b>51,494</b>
<b>Current liabilities</b>			
Borrowings		5,519	5,585
Provisions	10	71,467	70,010
Income taxes payable		13	13
Mineral extraction tax and rent tax payable		17,139	22,249
Trade payables and other liabilities		55,797	49,549
<b>Total current liabilities</b>		<b>149,935</b>	<b>147,406</b>
<b>Total liabilities</b>		<b>201,046</b>	<b>198,900</b>
<b>Total liabilities and equity</b>		<b>2,083,658</b>	<b>2,010,749</b>

*The accompanying notes on pages 5-17 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 September 30,		Nine months ended September 30,	
		2016	2015	2016	2015
Revenue	11	201,340	108,232	514,706	349,337
Share of results of associate and joint ventures	6, 7	(893)	(5,393)	(7,603)	(3,486)
Finance income		7,750	6,560	22,025	18,295
<b>Total revenue and other income</b>		<b>208,197</b>	<b>109,399</b>	<b>529,128</b>	<b>364,146</b>
Production expenses	12	(72,155)	(50,865)	(195,364)	(160,037)
Selling, general and administrative expenses	13	(31,917)	(37,068)	(94,514)	(91,118)
Exploration expenses		(51)	(1,186)	(51)	(1,663)
Depreciation, depletion and amortization		(9,175)	(4,538)	(22,524)	(15,158)
Taxes other than on income	14	(36,493)	(49,011)	(115,803)	(131,584)
Net reversal of allowance for VAT recoverable	17	20,298	–	13,362	–
(Loss)/gain on disposal of property, plant and equipment	5	(250)	4	(532)	(71)
Finance costs		(836)	(14,809)	(2,702)	(16,740)
Foreign exchange (loss)/gain, net		(8,733)	243,029	(7,284)	261,663
<b>Profit before tax</b>		<b>68,885</b>	<b>194,955</b>	<b>103,716</b>	<b>209,438</b>
Income tax expense	15	(10,411)	(60,071)	(27,993)	(71,665)
<b>Profit for the period</b>		<b>58,474</b>	<b>134,884</b>	<b>75,723</b>	<b>137,773</b>
Foreign currency translation difference	2	(7,139)	153,433	(6,256)	155,018
<b>Other comprehensive (loss)/income for the period to be reclassified to profit and loss in subsequent periods</b>		<b>(7,139)</b>	<b>153,433</b>	<b>(6,256)</b>	<b>155,018</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>51,335</b>	<b>288,317</b>	<b>69,467</b>	<b>292,791</b>
<b>Earnings per share – Tenge thousands</b>					
Basic and diluted		0.86	1.98	1.11	2.02

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

*Tenge million*

		<b>Nine months ended September 30,</b>	
	<b>Notes</b>	<b>2016</b>	<b>2015</b>
<b>Cash flows from operating activities</b>			
Profit before tax		103,716	209,438
Adjustments to add/(deduct) non-cash items			
Depreciation, depletion and amortisation		22,524	15,158
Share of result of associate and joint ventures		7,603	3,486
Loss on disposal of property, plant and equipment (PPE)	5	532	71
Dry well expense on exploration and evaluation assets		–	695
Recognition of share-based payments		1,350	–
Unrealised foreign exchange loss/(gain) on non-operating activities		7,406	(253,008)
Change in provisions		1,108	28,093
Net reversal of allowance for VAT recoverable	17	(13,362)	–
Other non-cash income and expense		2,442	954
Add finance costs		2,702	16,740
Deduct finance income		(22,025)	(18,295)
Working capital adjustments			
Change in other assets		(872)	429
Change in inventories		(3,308)	506
Change in taxes prepaid and VAT recoverable		(12,689)	6,032
Change in prepaid expenses		4,287	202
Change in trade and other receivables		34,874	11,106
Change in trade and other payables		4,746	(3,468)
Change in mineral extraction and rent tax payable and prepaid		5,890	(5,169)
Income tax paid		(38,988)	(27,868)
<b>Net cash generated from/(used in) operating activities</b>		<b>107,936</b>	<b>(14,898)</b>
<b>Cash flows from investing activities</b>			
Purchases of PPE	5	(67,107)	(72,645)
Proceeds from sale of PPE		384	270
Purchases of intangible assets		(1,442)	(1,241)
Loans provided to joint ventures		(2,538)	(2,605)
Dividends received from joint ventures and associate, net of withholding tax	6, 7	13,083	13,822
(Placement)/withdrawals of term deposits, net		(88,841)	23,639
Repayments of loan receivable from related parties		–	2,495
Interest received		11,903	7,111
<b>Net cash used in investing activities</b>		<b>(134,558)</b>	<b>(29,154)</b>
<b>Cash flows from financing activities</b>			
Repayment of borrowings		(1,526)	(918)
Dividends paid to Company's shareholders		(123)	(28,781)
<b>Net cash used in financing activities</b>		<b>(1,649)</b>	<b>(29,699)</b>
<b>Net change in cash and cash equivalents</b>		<b>(28,271)</b>	<b>(73,751)</b>
Cash and cash equivalents at the beginning of the period	8	237,310	180,245
Exchange gain on cash and cash equivalents		4,318	34,365
<b>Cash and cash equivalents at the end of the period</b>	<b>8</b>	<b>213,357</b>	<b>140,859</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	–	–	–	137,773	–	137,773
Other comprehensive income	–	–	–	–	155,018	155,018
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>137,773</b>	<b>155,018</b>	<b>292,791</b>
Dividends (Note 9)	–	–	–	(30,080)	–	(30,080)
<b>As at September 30, 2015 (unaudited)</b>	<b>263,095</b>	<b>(100,091)</b>	<b>2,355</b>	<b>1,205,863</b>	<b>230,605</b>	<b>1,601,827</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	–	–	–	75,723	–	75,723
Other comprehensive income	–	–	–	–	(6,256)	(6,256)
<b>Total comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>75,723</b>	<b>(6,256)</b>	<b>69,467</b>
Recognition of share-based payments	–	–	1,350	–	–	1,350
Forfeiture of share-based payments	–	–	(2)	–	–	(2)
Exercise of employee options	–	2,320	(2,822)	502	–	–
Dividends (Note 9)	–	–	–	(52)	–	(52)
<b>As at September 30, 2016 (unaudited)</b>	<b>263,095</b>	<b>(97,771)</b>	<b>2,471</b>	<b>1,387,932</b>	<b>326,885</b>	<b>1,882,612</b>

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