

Operating

RESULTS

of the 3rd Quarter of 2017



centerraGOLD



4,309 kg of gold produced



3,095 kg of gold sold

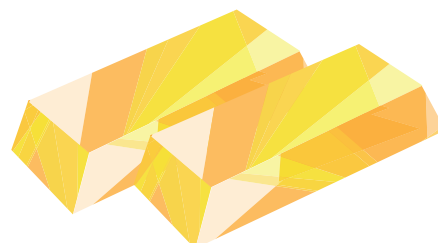


Centerra Gold Inc. (Centerra) and Kumtor Gold Company (KGC) have summed up their operating results in the third quarter of 2017. In the first nine months of 2017, KGC produced 404,584 ounces¹ or 12,583.98 kg of gold and contributed more than 6.8 billion soms in taxes and mandatory payments.

	Three Months Ended September 30			9 Months Ended September 30		
	2017	2016	% Change	2017	2016	% Change
Revenue from gold sales to Kyrgyzaltyn - \$ millions ²	124.3	218.7	(43%)	457.1	452	1%
Cost of sales - \$millions	54.5	96.5	(44%)	207.1	244.4	(15%)
Cost of sales - \$/oz sold	548	585	(6%)	561	689	(19%)
Tonnes mined - 000s	49,251	34,838	41%	131,108	108,856	20%
Tonnes ore mined - 000s	2,465	3,970	(38%)	2,477	8,687	(71%)
Tonnes milled - 000s	1,505	1,571	(4%)	4,578	4,722	(3%)
Average mill head grade - g/t	3.47	4.11	(16%)	3.51	3.01	17%
Mill Recovery - %	80.50%	81.40%	(1%)	78.60%	77.00%	2%
Gold produced – ounces ¹	138,561	166,030	(17%)	404,584	350,199	16%
Gold produced – kg	4309.73	5164.11	(17%)	12,583.98	10,892.41	16%
Gold sold – ounces ¹	99,514	164,847	(40%)	369,431	354,500	4%
Gold sold – kg	3095.23	5127.32	(40%)	11,490.60	11,026.19	4%
Average realized gold price ⁴ – \$/oz sold	1,249	1,327	(6%)	1,237	1,275	(3%)
Capital expenditures (sustaining) ⁴ - cash	15.5	13	19%	44.2	49.6	(11%)
Capital expenditures (growth) ⁴ - cash	5.2	3.2	63%	11	13.3	(17%)
Capital expenditures (stripping) ⁴ - cash	30.8	38.7	(20%)	125	78.4	59%
Operating costs (on a sales basis) ⁴	268	274	(2%)	274	350	(22%)
Adjusted operating costs ⁴ - \$/oz sold	338	303	11%	321	390	(18%)
Gold - All-in sustaining costs on a by-product basis - \$/oz sold ⁴	807	555	45%	782	695	12%

- ¹⁻ One Troy ounce equals to 31.103 48 grammes.
- ²⁻ Unless specified otherwise, all dollar figures in this news release are in US dollars.
- ³⁻ Numbers may not add up due to rounding
- ⁴⁻ Adjusted operating costs, all-in sustaining costs on a by-product basis (including and excluding taxes), cash provided by operations before changes in working capital, as well as average realized gold price per ounce sold and capital

The Doré bars produced by the Kumtor mine are purchased by Kyrgyzaltyn JSC for processing at the Kara-Balta refinery pursuant to a Gold and Silver Sales Agreement signed by KGC, Kyrgyzaltyn and the Government of the Kyrgyz Republic. Kyrgyzaltyn JSC enjoys the exclusive right to sell refined gold and silver both in and outside the Kyrgyz Republic.



Operating costs

Operating costs⁴ (on a sales basis) \$57.5 million:

- Mining costs, including capitalized stripping \$49.2 million;
- Milling costs \$19.5 million;
- Site support costs \$10.5 million;

operating costs

\$57.5 million



Payments to the Kyrgyz National Budget and Mandatory Contributions

contributions
to the budget in
3rd Quarter of 2017
**2 billion
soms**



	USD		
	Q1 2017	Q2 2017	Q3 2017
Gross Proceeds Tax	23,168,141	27,041,241	22,671,153
Issyk-Kul Development Fund	1,389,468	2,472,792	1,743,935
Pollution tax	310,000	-	-
Employee Income tax	1,245,567	1,173,336	987,757
Social Insurance Fund	5,673,426	4,984,932	4,811,394
Customs	148,828	139,379	95,362
Tax on nonresident companies	168,592	152,640	84,533
Other taxes and mandatory payments	114,487	236,483	62,131
Total	32,218,509	36,200,803	30,456,265
US\$ official exchange rate to the Kyrgyz Soms as of end of Quarter	68.6069	69.1367	68.6585
Equivalent of payments effected in Kyrgyz Soms	2,210,412,018	2,502,804,052	2,091,081,501

Note: Under the Agreement on New Terms dated as of April 24, 2009, the revenue-based tax and contributions to the Issyk-Kul Region Development Fund are estimated based on actual cash revenues from sales during the period under review.

Commentary

Scott Perry CEO of Centerra Gold stated, "During the third quarter both of our operating sites completed the deployment of our Company-wide safety leadership program "Work Safe, Home Safe" with every employee. For the rest of the year we will continue to deploy the program at the balance of our sites, so that by year-end every Centerra employee will have received training."

"In the quarter, we achieved an important milestone when we reached a comprehensive settlement agreement with the Government of the Kyrgyz Republic to resolve all of the outstanding matters affecting the Kumtor Project. The settlement provides for the lifting of all restrictions on the freedom of movement of Kumtor employees as well as the restrictions on the ability of Kumtor to distribute funds to Centerra.



The Kumtor open pit mine, located in the Kyrgyz Republic, is the largest gold mine in Central Asia operated by a Western-based producer. It has been operating since May 1997 and, as of September 30, 2017, has produced approximately **11.389 million ounces** or **354.257 tonnes of gold**.

Kumtor Gold Company is the operator of the Kumtor Project responsible for the entire production cycle.



centerra GOLD



Centerra Gold Inc. is a Canadian-based gold mining company focused on operating, developing, exploring and acquiring gold properties in North America, Asia and other markets worldwide. Centerra is a leading Canadian-based gold producer and is one of the largest Western-based gold producers in Central Asia. Centerra's principal operations are the Kumtor Project located in the Kyrgyz Republic and the Mount Milligan Mine located in British Columbia, Canada.

Centerra's shares trade on the Toronto Stock Exchange (TSX) under the symbol CG. The Company is headquartered in Toronto, Ontario, Canada.

The Kyrgyz Republic, via Kyrgyzzaltyn JSC, is Centerra's largest shareholder owning **77,401,766 shares** as of November 16, 2017. Kyrgyzstan's interests were estimated at **\$ 454 million**.