

2017 FOURTH QUARTER AND 2017 YEAR-END

RESULTS



centerraGOLD

17 503 kg
of gold produced



17 111 kg
of gold sold



At the Kumtor mine gold production in 2017 was 562,749 ounces¹ or 17,503.46 kg. Contribution in to the national budget in taxes and mandatory payments in 2017 is more than 8.7 billion soms.

(\$ millions ⁵ , except as noted)	Three Months ended December 31			Year ended December 31		
	2017	2016	% Change	2017	2016	% Change
Revenue from gold sales to Kyrgyzaltyn - \$ millions ²	228.1	231.1	(1%)	685.2	683.4	0%
Cost of sales – total	84.7	103.0	(18%)	291.7	347.4	(16%)
Cost of sales - \$/oz sold ³	468	537	(13%)	530	636	(17%)
Tonnes mined - 000s	50,770	35,543	43%	181,878	144,399	26%
Tonnes ore mined – 000s	2,607	223	1068%	5,084	8,911	(43%)
Average mining grade - g/t	2.30	8.62	(73%)	2.12	3.45	(39%)
Average mill head grade - g/t	3.76	4.71	(20%)	3.58	3.44	4%
Tonnes milled - 000s	1,668	1,581	6%	6,146	6,303	(1%)
Mill Recovery - %	80.4%	83.5%	(4%)	79.1%	79.2%	(0%)
Mining costs - total (\$/t mined material)	1.08	1.24	(13%)	1.10	1.27	(13%)
Milling costs (\$/t milled material)	9.16	9.37	(2%)	10.69	9.87	8%
Gold produced – ounces	158,165	200,762	(21%)	562,749	550,960	2%
Gold produced – kg	4,919,49	6,244,40	(21%)	17,503,46	17,136,78	2%
Gold sold – ounces	180,703	191,842	(6%)	550,134	546,242	1%
Gold sold – kg	5,620,50	5,966,96	(6%)	17,111,09	16,993,15	1%
Average realized gold price - \$/oz ³	1,262	1,206	5%	1,245	1,251	(0%)
Capital expenditures (sustaining) ³ - cash	16.5	11.5	44%	60.6	61.0	(1%)
Capital expenditures (growth) ³ - cash	7.1	1.4	399%	18.1	14.8	23%
Capital expenditures (stripping) ³ - cash	24.4	42.9	(43%)	149.4	100.5	49%
Capital Expenditures (stripping) - non-cash	7.5	15.4	(52%)	50.9	36.2	40%
Capital expenditures (total)	55.5	71.2	(22%)	279.0	212.5	31%
Operating costs (on a sales basis) ⁴	44.9	43.1	4%	146.0	167.4	(13%)
All-in sustaining costs (including taxes)	95.1	103.1	(8%)	383.9	349.2	10%
Adjusted operating costs - \$/oz sold ³	297	253	18%	313	342	(8%)
Operating Costs (on a sales basis) ⁴ - \$/oz sold	249	224	11%	265	306	(13%)
Gold - All-in sustaining costs on a by-product basis - \$/oz sold ³	526	538	(0%)	698	640	9%
Gold – All-in Sustaining costs on a by-product basis including taxes - \$/oz sold ³	704	707	(0%)	874	815	7%

¹ - One Troy ounce equals to 31.10348 grams.

² - Unless specified otherwise, all dollar figures in this news release are in US dollars.

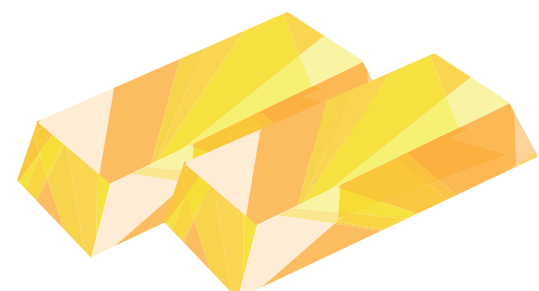
³ - Adjusted operating costs per ounce sold, operating costs (on a sales basis) (\$ and per ounce sold), all-in sustaining costs (including taxes), gold all-in sustaining costs on a by-product basis per ounce sold (including and excluding taxes), as well as average realized gold price per

ounce sold and capital expenditures (sustaining and growth) are non-GAAP measures and are discussed under "Non-GAAP Measures" in Centerra's news release dated February 23, 2018.

⁴ - Operating costs (on a sales basis) is comprised of mine operating costs such as mining, processing, site support administration and production taxes (except at Kumtor where revenue-based taxes are excluded), but excludes reclamation costs and depreciation, depletion and amortization.

⁵ - Numbers may not add up due to rounding.

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.



Kumtor's Impact on the Macroeconomic Performance of the Kyrgyz Republic

According to preliminary reports of the KR National Statistics Committee,

Kumtor's share in KR GDP in 2017 was **9.7%**

Kumtor's share in the aggregate industrial output was **21.1%**

Contribution in taxes
in fourth quarter 2017
\$27,649,332

operating
costs
**\$44.9
million**



Kumtor's Contributions in Taxes and Mandatory Payments for the Twelve Months of 2017

As of December 31, 2017	USD				
	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Total
Gross Proceeds Tax	23,168,141	27,041,241	22,671,153	20,668,944	93,549,480
Issyk-Kul Development Fund	1,389,468	2,472,792	1,743,935	822,612	6,429,807
Pollution tax	310,000	-	-	-	310,000
Employee Income tax	1,245,567	1,173,336	987,757	1,186,260	4,592,921
Social Insurance Fund	5,673,426	4,984,932	4,811,394	4,579,019	20,048,771
Customs	148,828	139,379	95,362	93,163	476,732
Tax on nonresident companies	168,592	152,640	84,533	156,892	562,657
Other taxes and mandatory payments	114,487	236,483	62,131	142,441	555,542
Total	32,218,509	36,200,803	30,456,265	27,649,332	126,524,909
US\$ official exchange rate to the Kyrgyz Soms as of end of Quarter	68.6069	69.1367	68.6585	68.8395	-
Equivalent of payments effected in thousand Kyrgyz Soms	2,210,412,018	2,502,804,052	2,091,081,501	1,903,366,178	8,707,663,748

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.



CEO Commentary

Scott Perry, President and Chief Executive Officer of Centerra Gold stated, "I am pleased to report that Centerra met its overall gold production guidance producing 785,316 ounces at an all-in sustaining cost on a by-product basis of \$688 per ounce sold³, beating the low-end of our all-in-sustaining cost³ guidance for the year. Kumtor had another strong year exceeding its revised production guidance and beating its all-in-sustaining cost guidance, delivering 562,749 ounces of gold production at all-in-sustaining cost on a by-product basis of \$698 per ounce sold³ in 2017.

The Kumtor open pit mine, located in the Kyrgyz Republic, is one of the largest gold mines in Central Asia operated by a Western-based gold producer. It has been operating since May 1997 and has produced over **11.5 million ounces or 357 tonnes of gold** to December 31, 2017.

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



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 operates two flagship assets, the Kumtor Mine in the Kyrgyz Republic and the Mount Milligan Mine in British Columbia, Canada and is the largest Western-based gold producer in Central Asia. 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 Kyrgyzaltyn JSC, is Centerra's largest shareholder owning **77,401,766** common shares. As of March 14, 2018, Kyrgyzstan's interests were estimated at **\$425 million**.

Additional information on Centerra and the full text of the news release on the fourth quarter 2017 year-end results are available on SEDAR at www.sedar.com and the corporate websites at www.centerragold.com and www.kumtor.kg.