



Operating Results of the Third Quarter of 2019

Centerra Gold Inc. (Centerra) and Kumtor Gold Company (KGC) have summed up their operating results in the third quarter of 2019. For the nine months of 2019, KGC produced 451,679 ounces¹ or 14,048.8 kg of gold and contributed more than 10.79 billion soms in taxes and mandatory payments.

Gold Production and Sales

Kumtor produced 150,305 ounces or 4675.01 kg of gold in the third quarter of 2019 compared to 122,445 ounces or 3808.47 kg of gold in the same prior year period. The increase in the current quarter was primarily due to processing ore with higher grades from cut-backs 18 and 19 and higher recoveries, compared to processing lower grade ore from cut-back 17 and Sarytor in the third quarter of 2018. During the third quarter of 2019, Kumtor's average mill head grade was 3.8 g/t with a recovery of 84.8% compared to 3.0 g/t and a recovery of 79.0% in 2018.

Gold sales in the third quarter of 2019 were 160,088 ounces, or 4,979.30 kilograms. Total revenues from gold sales in the third quarter of 2019 were \$234.4 million².

The Dore 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 within and outside the Kyrgyz Republic.

In August 2019, all conditions precedent in relation to the comprehensive settlement agreement entered into with the Kyrgyz Republic ("the Kyrgyz Government") on September 11, 2017 were satisfied or waived and the Strategic Agreement closed on August 26, 2019.

Exploration Update

At Kumtor, planned exploration work is aimed at defining additional resources on the flanks of the Central Pit, focusing on the Hockey Stick Zone and the SB Zone deep extension to add to the open pit mine life. Exploration drilling focused on testing zones of mineralization near the surface for additional open pit resources on the north-east side of the Central Pit, at the corridor between the Central and Southwest pits, and on the flanks of the Sarytor target area. During the third quarter of 2019, sixty-seven diamond drill holes for 18,215 metres were completed, including 11,472 metres of infill drilling in the Hockey Stick Zone.

A complete listing of the drill results, drill hole locations and plan map for the Kumtor Mine have been filed on the System for Electronic Document Analysis and Retrieval ('SEDAR') at www.sedar.com and are available at the Company's web site www.centerragold.com.

Financial

For the three months ended September 30, 2019, Kumtor recognized higher revenue and earnings from operations of 64% and 147%, respectively, compared to the prior period. The increase was mainly associated with more ounces sold, higher realized gold price and lower cost of sales per ounce during the period. Cash provided by operations was \$31.1 million lower in 2019 when compared to 2018 due to the \$62.6 million settlement payment made to the Kyrgyz Republic.

Mining costs including capitalized stripping

Mining costs, including capitalized stripping, were \$51.1 million in the third quarter of 2019, a \$2 million decrease from the comparative prior year period. Lower costs in the third quarter of 2019 includes lower diesel costs (\$3.7 million) due to lower consumption rates from lower tonnes mined



and decreased haulage distance. This was offset by higher costs associated with rebuilds when compared to the same prior year period (\$1.7 million).

Milling costs

Milling costs were \$18.4 million in the third quarter of 2019 compared to \$17.0 million in the prior year period, due primarily to the increased costs of a scheduled maintenance shutdown of the SAG, Ball and Re grind mills in the third quarter of 2019.

Site Support Costs

Site support costs in the third quarter of 2019 were \$11.5 million compared to \$12.1 million in 2018, due primarily to slightly lower contractor costs and lower cost of camp supplies.

Cost of sales

Cost of sales, which include non-cash DD&A associated with the ounces sold, was \$111.8 million for the third quarter of 2019, an increase of 29% compared to the third quarter of 2018. The increase was primarily due to more ounces sold and increased depreciation of capitalized stripping.

All-in Sustaining Costs

All-in sustaining costs on a by-product basis per ounce sold⁴, which excludes revenue-based tax, was \$626 per ounce in the third quarter of 2019 compared to \$662 per ounce in the prior year period. The decrease was due primarily to more ounces sold.

Including revenue-based taxes, all-in sustaining costs on a by-product basis per ounce sold⁴ was \$831 per ounce in the third quarter of 2019 compared to \$831 per ounce in the prior year period. The lower all-in sustaining costs⁴ was offset by higher revenue-based taxes as a result of higher sales revenue achieved in the third quarter of 2019.

Operating Results⁵

(\$ millions, except as noted) ³	Three months ended September 30,			Nine months ended September 30,		
	2019	2018	% Change	2019	2018	% Change
Financial Highlights:						
Revenue - \$ millions	234.4	142.8	64%	627.0	413.2	52%
Cost of sales (cash)	61.7	50.6	22%	170.0	137.6	24%
Cost of sales (non-cash)	50.1	36.2	38%	134.7	103.3	30%
Cost of sales (total)	111.8	86.8	29%	304.7	240.9	26%
Earnings from operations	69.8	28.3	147%	201.0	96.6	108%
Cash provided by operations	14.4	45.5	(68%)	227.1	141.4	61%
Cash provided by operations before changes in working capital ⁴	74.4	64.1	16%	290.1	200.5	45%
Operating Highlights:						
Tonnes mined - 000s	38,731	41,559	(7%)	127,874	132,366	(3%)
Tonnes ore mined – 000s	4,748	2,759	72%	9,255	5,120	81%
Average mining grade - g/t	3.08	3.87	(20%)	2.43	2.96	(18%)
Tonnes milled - 000s	1,496	1,641	(9%)	4,647	4,880	(5%)
Average mill head grade - g/t	3.78	3.03	25%	3.66	2.63	39%
Mill Recovery - %	84.8%	79.0%	7%	83.0%	74.3%	12%



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Mining costs - total (\$/t mined material)	1.32	1.26	4%	1.21	1.19	2%
Milling costs (\$/t milled material)	12.32	10.34	19%	11.57	10.55	10%
Gold produced – ounces	150,305	122,445	23%	451,679	306,467	47%
Gold produced – kilograms	4675.01	3,808.47	23%	14,048.8	9,532.20	47%
Gold sold – ounces	160,088	119,521	34%	463,663	327,060	42%
Gold sold – kilograms	4979.30	3,717.52	34%	14,421.54	10,172.71	42%
Average realized gold price ⁴ - \$/oz sold	\$ 1,464	\$ 1,195	23%	\$ 1,352	\$ 1,263	7%
Capital Expenditures (sustaining) - cash	10.5	10.6	(1%)	30.8	31.8	(3%)
Capital Expenditures (growth) - cash	6.6	4.4	50%	13.1	13.8	(5%)
Capital Expenditures (stripping) - cash	18.9	12.3	53%	48.3	77.6	(38%)
Capital Expenditures (stripping) - non-cash	4.7	4.2	12%	13.7	25.2	(45%)
Capital expenditures (total)	40.8	31.6	29%	106.0	148.4	(29%)
Unit Costs:						
Gold - All-in sustaining costs on a by-product basis - \$/oz sold ⁴	\$ 626	\$ 662	(5%)	\$ 581	\$ 810	(28%)
Gold - All-in sustaining costs on a by-product basis (including taxes) - \$/oz sold ⁴	\$ 831	\$ 831	0%	\$ 771	\$ 988	(22%)

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- Non-GAAP measures and are discussed under “Non-GAAP Measures” in Centerra’s MD&A and news release dated October 30, 2019.

5- Financial data extracted from Centerra’s news release dated October 30, 2019.

Payments to the Kyrgyz National Budget and Mandatory Contributions

During the nine months of 2019, contributions to the national budget in taxes, deductions to the Social Fund and other mandatory payments have totaled **10.79 billion soms**.

As of September 30, 2019.

Type of payment (US dollars)	Q1	Q2	Q3
Gross Proceeds Tax	10,947,177	29,585,268	23,227,415
Contribution to Issyk-Kul Development Fund	2,043,231	2,275,790	1,786,724
Contribution to Nature Development Fund	-	-	57,400,000
Contribution to Regional Social Partnership Fund	-	-	5,000,000
Pollution Charge	310,000	-	-
Total	13,300,408	31,861,057	87,414,139
US\$ official exchange rate to the Kyrgyz Soms at the end of the quarter	69.8496	69.4928	69.7039
Equivalent of payments effected in t Kyrgyz Soms	929,028,179	2,214,114,061	6,093,106,443

Notes:

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.

Contribution to Nature Development Fund and Contribution to Regional Social Partnership Fund are made under the Strategic Agreement among the Government, Centerra Gold Inc. and KGC of September 7, 2017, and in accordance with Additional Contributions of July 8, 2019.

As of September 30, 2019.

Type of payment (Kyrgyz soms)	Q1	Q2	Q3
Personal Income tax	101,803,525	89,661,508	81,957,964
State Social Insurance Contribution	461,734,642	386,137,482	372,087,070
Customs Fees	4,353,000	5,710,000	6,465,000
Tax on nonresident companies	4,368,386	4,931,646	6,961,372



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Other taxes and mandatory payments	9,761,878	9,176,628	6,748,696
Total	582,021,431	495,617,263	474,220,102

Commentary

Scott Perry, President and Chief Executive Officer of Centerra stated, “During the quarter we achieved a number of significant Lost Time Injury Free milestones including one full year at Kumtor. These achievements validate that Zero Harm is within our reach at Centerra and demonstrates our workforce’s commitment to Centerra’s Work Safe – Home Safe program as we continue to build a team-based culture of excellence that responsibly delivers sustainable value and growth.”

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 in production since 1997 and has produced over 12.5 million ounces of gold to September 30, 2019.

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

Centerra is a Canadian-based gold mining company focused on operating, developing, exploring and acquiring gold properties worldwide and is one of the largest Western-based gold producers in Central Asia. Centerra’s principal operations are the Kumtor Gold mine located in the Kyrgyz Republic and the Mount Milligan Gold-Copper mine located in British Columbia, Canada. The Company is currently constructing its next gold mine, the Öksüt Project in Turkey, is developing two properties in Canada, the Kemess Project and the Greenstone Gold Project (50% ownership), and has options to acquire exploration joint venture properties in Canada, Finland, Mexico, Sweden, Turkey and the United States. The Company owns various assets included in its Molybdenum Business Unit consisting of the Langeloth metallurgical processing facility and Thompson Creek Mine in the United States of America, and the Endako Mine in British Columbia, Canada.

Centerra’s common shares are listed for trading on the Toronto Stock Exchange under the symbol CG. The Company is based in Toronto, Ontario, Canada.

The Kyrgyz Republic, via Kyrgyzaltyn JSC, is Centerra Gold's largest shareholder owning **77,401,766** common shares. As of November 14, 2019, Kyrgyzstan's interests were estimated at **\$ 637 million**.

Additional information on Centerra Gold Inc. and the full text of the news release on the Third Quarter of 2019 are available on SEDAR at www.sedar.com and the corporate websites at www.centerragold.com and www.kumtor.kg.

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