



NEWS RELEASE

Centerra Gold 2016 Year-End Gold Mineral Reserves Increase to 16 Million Contained Ounces

This news release contains forward-looking information that is subject to the risk factors and assumptions set out on page 8 and in our Cautionary Note Regarding Forward-looking Information on page 11. At Mount Milligan mineral reserves and mineral resources are presented on a 100% basis. Sales of gold and copper from the Mount Milligan mine fall under a streaming arrangement whereby Royal Gold Inc. is entitled to 35% and 18.75% of gold and copper sales, respectively. All figures are in United States dollars.

Toronto, Canada, February 23, 2017: Centerra Gold Inc. (TSX: CG) today issued its 2016 year-end estimates for mineral reserves and mineral resources.

Highlights:

- Centerra's proven and probable gold mineral reserves increased to 16 million ounces of contained gold (673.4 million tonnes (Mt) at 0.7 g/t gold) from 8.4 million contained ounces (112.5 Mt at 2.3 g/t gold) a year ago.
- At Centerra's 100% owned Mount Milligan mine in north central British Columbia, Canada, proven and probable mineral reserves are estimated to be 5.8 million ounces of contained gold and 2,049 million pounds of contained copper (496.2 Mt at 0.4 g/t gold and 0.187% copper at an NSR cut-off of \$8.12 per tonne). The Company plans to complete and file a new NI 43-101 technical report on the Mount Milligan mine by the end of March 2017.
- At Centerra's 50% owned Greenstone Gold Project in Canada, the Company announced the completion of the feasibility study for the Hardrock Project in November 2016. As a result of this study, measured and indicated mineral resources on the Hardrock open pit were upgraded to an estimated probable mineral reserve of 70.9 million tonnes at 1.0 g/t gold containing 2.3 million ounces of gold (Centerra's 50% share) at a cut-off grade of 0.33 g/t gold.

Scott Perry, CEO of Centerra Gold said: "In 2016, with the acquisition of Thompson Creek Metals Company Inc. and adding the Mount Milligan mine to our operating platform we have significantly added to our gold mineral reserves and now for the first time include copper mineral reserves. At the Company's 50% owned Greenstone Gold Property, in Canada, the mineral resources were successfully converted to mineral reserves with the bankable feasibility study on the Hardrock Project released in November, which also contributed to the increase in our total gold mineral reserves to an estimated 16 million ounces of contained gold."

Year-end Gold Mineral Reserves and Mineral Resources

Mineral Reserves

At the end of 2016, Centerra's estimated proven and probable gold mineral reserves increased by 7.6 million contained ounces, after accounting for processing of 696,000 contained ounces in 2016. Centerra's proven and probable mineral reserves now total an estimated 16.0 million ounces of contained gold (673.4 Mt at 0.7 g/t gold), compared to 8.4 million contained ounces (112.5 Mt at 2.3 g/t gold) as of December 31, 2015. The mineral reserve increase is primarily a result of the addition of Mount Milligan mineral reserves after the

Company closed the acquisition of Thompson Creek Metals Company Inc. on October 20, 2016 and the completion of the feasibility study on the Hardrock Project where mineral resources were upgraded to mineral reserves in November 2016. The 2016 year-end mineral reserves have been verified and estimated using a gold price of \$1,200 per ounce.

At the Kumtor mine, in the Kyrgyz Republic, proven and probable gold mineral reserves decreased by 511,000 contained ounces, after accounting for processing of 696,000 contained ounces in 2016. In 2016 mineral reserves decreased primarily due to mining depletion and, as a result Kumtor's proven and probable mineral reserves now total an estimated 5.1 million ounces of contained gold (63.1 Mt at 2.5 g/t gold) at the end of December 2016, compared to 5.6 million contained ounces (69.2 Mt at 2.5 g/t gold) as of December 31, 2015.

In Canada, at the Mount Milligan mine, proven and probable mineral reserves total 5.8 million ounces of contained gold (496.2 Mt at 0.4 g/t gold) at the end of December 2016. With the completion of the feasibility study for the Hardrock Project at the Company's 50% owned Greenstone Gold Project measured and indicated mineral resources on the Hardrock open pit were upgraded to an estimated probable mineral reserve of 2.3 million ounces of contained gold (70.9 Mt at 1.0 g/t gold) (Centerra's 50% share).

In Mongolia, at the Gatsuert Project proven and probable mineral reserves are unchanged from 2015 and are estimated to be 1.6 million contained ounces of gold (17.1 Mt at 2.9 g/t gold).

In Turkey, at the Öksüt Project, the proven and probable mineral reserves are unchanged from 2015 summary and contain an estimated 1.2 million ounces of gold (26.1 Mt at 1.4 g/t gold).

Mineral Resources

As of December 31, 2016, Centerra's measured and indicated gold mineral resources, net of gold mineral reserves, increased by 3.2 million contained ounces to an estimated total of 7.4 million ounces of contained gold (330.0 Mt at 0.7 g/t gold) compared to the December 31, 2015 estimate. The change is primarily a result of the acquisition of Mount Milligan which added 1.8 million contained ounces of gold and the addition of 1.4 million contained ounces of gold (Centerra's 50% share) at the Greenstone Gold Property.

The 2016 year-end mineral resource estimates for the Öksüt Project in Turkey, Boroo, Gatsuert, ATO and Ulaan Bulag properties in Mongolia are unchanged from 2015 year-end estimates.

On January 31, 2017, Centerra Gold's Mongolian subsidiary, Centerra Gold Mongolia (CGM) entered into definitive agreements to sell the ATO Project, located in Eastern Mongolia, to Steppe Gold LLC and Steppe Gold Limited for gross proceed of \$19,800,000. CGM has received \$800,000 upon signing of the definitive agreements and is expected to receive \$9,000,000 at closing, which is scheduled to occur in the second quarter of 2017, followed by two additional \$5 million cash payments at the first anniversary and second anniversary date of the closing of the transaction. The closing of the transaction is conditional upon Steppe Gold Limited executing their financing plans which the Company understands is scheduled to be completed in mid-2017.

As of December 31, 2016, Centerra's inferred gold mineral resource estimate totals 5.8 million contained ounces of gold (57.9 Mt at 3.1 g/t gold), an increase of 3.2 million contained ounces from December 31, 2015. At Kumtor 3.4 million ounces of gold (14.5 Mt at 7.3 g/t gold) are contained within the estimated underground inferred mineral resources in the SB, Saddle and Stockwork Zones. This increase of 1.7 million contained ounces in the 2016 year-end inferred underground mineral resource estimate is due to a reinterpretation of mineralized structures and their along strike and down dip extents. Additionally, a lower

cut-off grade of 4.9 g/t gold was used at 2016 year-end compared to 6.0 g/t gold cut-off used for estimation at December 31, 2015. In addition 1.4 million contained ounces (Centerra's 50% share) of open pit and underground inferred gold mineral resources were added to the inferred mineral resource category at the Greenstone Gold Property in 2016.

Year-end Copper Mineral Reserves and Mineral Resources

Mineral Reserves

At the end of 2016, Centerra's proven and probable copper mineral reserves total an estimated 2,049 million pounds of contained copper (496.2 Mt at 0.187% copper). The copper mineral reserves are located at the Company's Mount Milligan mine which was acquired with the acquisition of Thompson Creek Metals Company Inc. on October 20, 2016. The copper mineral reserves have been estimated based on a copper price of \$2.95 per pound and an NSR cut-off of \$8.12 per tonne, which takes into consideration metallurgical recoveries, concentrate grades, transportation costs, smelter treatment charges and royalty and streaming arrangements in determining economic viability.

Mineral Resources

As of December 31, 2016, Centerra's measured and indicated copper mineral resources, net of mineral reserves, total an estimated 4,076 million pounds of contained copper (749.9 Mt at 0.242% copper). The copper mineral resources are located at the Mount Milligan mine and the Berg Property, located in Canada.

At Mount Milligan, in British Columbia, Canada, measured and indicated mineral resources total an estimated 718 million pounds of contained copper (243.9 Mt at 0.133% copper) at the end of December 2016 and have been estimated based on a copper price of \$3.50 per pound. The open pit mineral resources are constrained by a pit shell and are estimated based on an NSR cut-off of \$8.12 per tonne, which takes into consideration metallurgical recoveries, concentrate grades, transportation costs, smelter treatment charges and royalty and streaming arrangements in determining economic viability.

At the Berg Property, in British Columbia, Canada, measured and indicated mineral resources total an estimated 3,359 million pounds of contained copper (506.0 Mt at 0.301% copper) at the end of December 2016 and have been estimated based on a copper price of \$1.60 per pound. The unconstrained open pit mineral resources have been estimated based on a 0.30% copper equivalent cut-off grade to a maximum depth of 450 metres below surface.

As of December 31, 2016, Centerra's inferred copper mineral resource estimate totals 764 million pounds of contained copper (155.6 Mt at 0.218% copper). This includes at Mount Milligan an estimated 31 million pounds of contained copper (11.0 Mt at 0.125% copper) and at the Berg Property an estimated 733 million pounds of contained copper (144.6 Mt at 0.230% copper).

Table 1 (see additional footnotes page 7)
Centerra Gold Inc. 2016 Year-End Mineral Reserve and Mineral Resource Summary – Gold ^{(1) (6)}
(as of December 31, 2016)

Proven and Probable Mineral Reserves									
Property	Proven			Probable			Total Proven and Probable		
	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)
Mount Milligan ⁽⁴⁾	256,847	0.4	3,503	239,362	0.3	2,257	496,210	0.4	5,760
Kumtor Open Pit	11,440	1.9	714	51,623	2.7	4,416	63,063	2.5	5,130
Gatsuurt	-	-	-	17,129	2.9	1,603	17,129	2.9	1,603
Öksüt	-	-	-	26,137	1.4	1,161	26,137	1.4	1,161
Hardrock Open Pit	-	-	-	70,858	1.0	2,324	70,858	1.0	2,324
Total	268,287	0.5	4,217	405,109	0.9	11,760	673,396	0.7	15,978
Measured and Indicated Mineral Resources ⁽²⁾									
Property	Measured			Indicated			Total Measured and Indicated		
	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)
Mount Milligan ⁽⁴⁾	76,622	0.3	657	167,311	0.2	1,112	243,933	0.2	1,769
Kumtor - Open Pit	16,568	3.0	1,616	12,062	2.6	1,007	28,631	2.8	2,623
Boroo	452	2.2	32	4,464	1.5	210	4,916	1.5	242
Gatsuurt	-	-	-	5,098	2.4	398	5,098	2.4	398
Ulaan Bulag	-	-	-	1,555	1.5	73	1,555	1.5	73
ATO ⁽⁵⁾	9,663	1.5	465	8,920	1.1	306	18,583	1.3	771
Öksüt	2,100	0.7	45	4,698	0.7	111	6,798	0.7	156
Hardrock - Open Pit	-	-	-	5,722	0.4	66	5,722	0.4	66
Hardrock – Underground	-	-	-	6,846	3.9	860	6,846	3.9	860
Brookbank - Open Pit	-	-	-	1,319	2.0	86	1,319	2.0	86
Brookbank – Underground	-	-	-	926	7.2	215	926	7.2	215
Key Lake - Open Pit	-	-	-	1,286	1.2	49	1,286	1.2	49
Key Lake – Underground	-	-	-	16	6.5	3	16	6.5	3
Kailey	-	-	-	4,315	1.0	133	4,315	1.0	133
Total	105,405	0.8	2,815	224,537	0.6	4,627	329,942	0.7	7,442
Inferred Mineral Resources ⁽³⁾									
Property	Tonnes (kt)	Grade (g/t)	Contained Gold (koz)						
Mount Milligan ⁽⁴⁾	11,047	0.3	109						
Kumtor - Open Pit	2,798	1.6	141						
Kumtor - Underground	14,477	7.3	3,409						
Boroo	7,323	1.0	235						
Gatsuurt	5,475	2.5	440						
Ulaan Bulag	315	1.3	13						
ATO ⁽⁵⁾	386	0.6	8						
Öksüt	2,380	0.8	65						
Hardrock - Open Pit	85	0.9	2						
Hardrock - Underground	10,754	3.6	1,235						
Brookbank - Open Pit	86	2.4	7						
Brookbank - Underground	202	4.1	27						
Key Lake - Open Pit	673	1.3	28						
Key Lake - Underground	29	3.6	3						
Kailey	1,844	1.0	58						
Total	57,872	3.1	5,780						

- 1) Centerra's equity interests as of this news release are as follows: Mount Milligan 100%, Kumtor 100%, Gatsuurt 100%, Boroo 100%, Ulaan Bulag 100%, ATO 100%, Öksüt 100% and Greenstone Gold properties (Hardrock, Brookbank, Key Lake, Kailey) 50%.
- 2) Mineral resources are in addition to mineral reserves. Mineral resources do not have demonstrated economic viability.
- 3) Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically. It cannot be assumed that all or part of the inferred mineral resources will ever be upgraded to a higher category.
- 4) Royal Gold streaming agreement entitles Royal Gold to 35% of gold sales from the Mount Milligan mine. Under the stream arrangement, Royal Gold will pay \$435 per ounce of gold delivered.
- 5) As of January 31, 2017, Centerra Gold's Mongolian subsidiary, Centerra Gold Mongolia (CGM) entered into definitive agreements to sell the ATO Project, located in Eastern Mongolia, to Steppe Gold LLC and Steppe Gold Limited.
- 6) Numbers may not add up due to rounding.

Table 2 (see additional footnotes page 7)
Centerra Gold Inc. 2016 Year-End Mineral Reserve and Mineral Resource Summary - Other Metals ^{(1) (6)}
(as of December 31, 2016)

Property	Tonnes (kt)	Copper Grade (%)	Contained Copper (Mlbs)	Moly Grade (%)	Contained Moly (Mlbs)	Lead Grade (%)	Contained Lead (Mlbs)	Zinc Grade (%)	Contained Zinc (Mlbs)	Silver Grade (g/t)	Contained Silver (koz)
Proven Mineral Reserves											
Mount Milligan ⁽⁴⁾	256,847	0.187	1,059	-	-	-	-	-	-	-	-
Probable Mineral Reserves											
Mount Milligan ⁽⁴⁾	239,362	0.188	991	-	-	-	-	-	-	-	-
Total Proven and Probable Mineral Reserves											
Mount Milligan ⁽⁴⁾	496,210	0.187	2,049	-	-	-	-	-	-	-	-
Measured Mineral Resources ⁽²⁾											
Mount Milligan ⁽⁴⁾	76,622	0.109	184	-	-	-	-	-	-	-	-
Berg	53,300	0.480	564	0.030	35	-	-	-	-	4.50	7,711
Thompson Creek	34,300	-	-	0.077	58	-	-	-	-	-	-
Endako	10,100	-	-	0.053	12	-	-	-	-	-	-
ATO - Oxide ⁽⁵⁾	3,677	-	-	-	-	-	-	-	-	8.54	1,010
ATO - Sulphide ⁽⁵⁾	5,986	-	-	-	-	0.98	129	1.70	225	8.02	1,543
Indicated Mineral Resources ⁽²⁾											
Mount Milligan ⁽⁴⁾	167,311	0.145	533	-	-	-	-	-	-	-	-
Berg	452,700	0.280	2,794	0.038	379	-	-	-	-	3.70	53,852
Thompson Creek	31,700	-	-	0.068	48	-	-	-	-	-	-
Endako	23,300	-	-	0.047	24	-	-	-	-	-	-
ATO - Oxide ⁽⁵⁾	3,294	-	-	-	-	-	-	-	-	7.16	758
ATO - Sulphide ⁽⁵⁾	5,626	-	-	-	-	0.80	100	1.45	179	8.52	1,541
Total Measured and Indicated Mineral Resources ⁽²⁾											
Mount Milligan ⁽⁴⁾	243,933	0.133	718	-	-	-	-	-	-	-	-
Berg	506,000	0.301	3,359	0.037	415	-	-	-	-	3.78	61,563
Total Copper	749,933	0.242	4,076								
Thompson Creek	66,000	-	-	0.073	106	-	-	-	-	-	-
Endako	33,400	-	-	0.049	36	-	-	-	-	-	-
ATO - Oxide	6,971	-	-	-	-	-	-	-	-	7.89	1,768
ATO - Sulphide	11,612	-	-	-	-	0.89	229	1.58	404	8.26	3,084
Inferred Mineral Resources ⁽³⁾											
Mount Milligan ⁽⁴⁾	11,047	0.125	31	-	-	-	-	-	-	-	-
Berg	144,600	0.230	733	0.033	105	-	-	-	-	-	-
Total Copper	155,647	0.218	764								
Thompson Creek	700	-	-	0.035	1	-	-	-	-	-	-
Endako	2,200	-	-	0.039	2	-	-	-	-	-	-
ATO - Oxide ⁽⁵⁾	87	-	-	-	-	-	-	-	-	5.01	14
ATO - Sulphide ⁽⁵⁾	299	-	-	-	-	1.03	7	2.31	15	5.83	56

- Centerra's equity interests as of this news release are as follows: Mount Milligan 100%, Berg 100%, Thompson Creek 100%, Endako 75%, and ATO 100%.
- Mineral resources are in addition to mineral reserves. Mineral resources do not have demonstrated economic viability.
- Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically. It cannot be assumed that all or part of the inferred mineral resources will ever be upgraded to a higher category.
- Royal Gold streaming agreement entitles Royal Gold to 18.75% of copper sales from the Mount Milligan mine. Under the stream arrangement, Royal Gold will pay 15% of the spot price per metric tonne of copper delivered.
- As of January 31, 2017, Centerra Gold's Mongolian subsidiary, Centerra Gold Mongolia (CGM) entered into definitive agreements to sell the ATO Project, located in Eastern Mongolia, to Steppe Gold LLC and Steppe Gold Limited.
- Numbers may not add up due to rounding.

Table 3 - Centerra Gold Inc. (see additional footnotes page 7)
Reconciliation of Mineral Reserves and Mineral Resources ^{(4) (9) (10)} - Gold Contained (koz)

	December 31 2015 ⁽¹⁾	2016 Throughput ⁽²⁾	2016 Addition (Deletion) ⁽³⁾	December 31 2016
Proven and Probable Mineral Reserves				
Mount Milligan	-	-	5,760	5,760
Kumtor Open Pit ⁽⁵⁾	5,641	696	185	5,130
Gatsuurt ⁽⁷⁾	1,603	-	-	1,603
Öksüt ⁽⁸⁾	1,161	-	-	1,161
Hardrock Open Pit	-	-	2,324	2,324
Total	8,405	696	8,269	15,978
Measured and Indicated Mineral Resources				
Mount Milligan	-	-	1,769	1,769
Kumtor - Open Pit ⁽⁶⁾	2,564	-	59	2,623
Boroo	242	-	-	242
Gatsuurt ⁽⁷⁾	398	-	-	398
Ulaan Bulag	73	-	-	73
ATO	771	-	-	771
Öksüt ⁽⁸⁾	156	-	-	156
Hardrock - Open Pit ⁽⁶⁾	-	-	66	66
Hardrock - Underground	-	-	860	860
Brookbank - Open Pit	-	-	86	86
Brookbank - Underground	-	-	215	215
Key Lake - Open Pit	-	-	49	49
Key Lake - Underground	-	-	3	3
Kailey	-	-	133	133
Total	4,204	-	3,238	7,442
Inferred Mineral Resources ⁽¹¹⁾				
Mount Milligan	-	-	109	109
Kumtor - Open Pit ⁽⁶⁾	148	-	(7)	141
Kumtor - Underground	1,663	-	1,746	3,409
Boroo	235	-	-	235
Gatsuurt ⁽⁷⁾	440	-	-	440
Ulaan Bulag	13	-	-	13
ATO	8	-	-	8
Öksüt ⁽⁸⁾	65	-	-	65
Hardrock - Open Pit	-	-	2	2
Hardrock - Underground	-	-	1,235	1,235
Brookbank - Open Pit	-	-	7	7
Brookbank - Underground	-	-	27	27
Key Lake - Open Pit	-	-	28	28
Key Lake - Underground	-	-	3	3
Kailey	-	-	58	58
Total	2,573	-	3,207	5,780

- (1) Mineral reserves and mineral resources as reported in Centerra's Annual Information Form filed in March 2016.
- (2) Corresponds to mill feed at Kumtor.
- (3) Changes in mineral reserves or mineral resources, as applicable, are attributed to the acquisition of Thompson Creek Metals Inc., a feasibility study on the Hardrock Project, information provided by drilling and subsequent reinterpretation and reclassification of mineral reserves or mineral resources.
- (4) Centerra's equity interests as of this news release are as follows: Mount Milligan 100%, Kumtor 100%, Gatsuurt 100%, Boroo 100%, Ulaan Bulag 100%, ATO 100%, Öksüt 100% and Greenstone Gold properties (Hardrock, Brookbank, Key Lake, Kailey) 50%.
- (5) Kumtor open pit mineral reserves include the Central Pit and the Southwest and Sarytor Pits.
- (6) Kumtor open pit mineral resources include the Central Deposit, Southwest Deposit and Sarytor Deposit.
- (7) Gatsuurt open pit mineral reserves and mineral resources include the Central Zone and Main Zone deposits.
- (8) Öksüt open pit mineral reserves and mineral resources include the Keltepe and Guneytepe deposits.
- (9) Centerra reports mineral reserves and mineral resources separately. The amount of reported mineral resources does not include those amounts identified as mineral reserves.
- (10) Numbers may not add up due to rounding.
- (11) Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically. It cannot be assumed that all or part of the inferred mineral resources will ever be converted to a higher category.

Additional Footnotes for Tables 1, 2, 3

General

- Mineral resources are in addition to mineral reserves. Mineral resources do not have demonstrated economic viability.
- Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically. It cannot be assumed that all or part of the inferred mineral resources will ever be upgraded to a higher category.
- Changes in mineral reserves or mineral resources, as applicable, are attributed to information provided by drilling and subsequent reclassification of mineral reserves or mineral resources.
- Numbers may not add up due to rounding.
- A conversion factor of 31.1035 grams per troy ounce of gold is used in the mineral reserve and mineral resource estimates.
- Centerra's equity interests as of this news release are: Kumtor 100%, Gatsuurt 100%, Boroo 100%, Ulaan Bulag 100%, ATO 100%, Öksüt 100%, Mt Milligan 100%, Thompson Creek 100%, Endako 75%, Berg 100%, Hardrock 50%, Brookbank 50%, Key Lake 50%, Kailey 50%.

Kumtor

- The mineral reserves have been estimated based on a gold price of \$1,200 per ounce, diesel fuel price of \$0.55/litre and an exchange rate of 1USD:65KGS.
- The open pit mineral reserves are estimated based on a cut-off grade of 0.85 grams of gold per tonne for the Central Pit and 1.0 grams of gold per tonne for the Southwest and Sarytor deposits.
- The mineral resources have been estimated based on a gold price of \$1,450 per ounce.
- Open pit mineral resources are constrained by a pit shell.
- The open pit mineral resources are estimated based on a cut-off grade of 0.85 grams of gold per tonne for the Central Pit and 1.0 grams of gold per tonne for the Southwest and Sarytor deposits.
- Underground mineral resources occur below the open pit mineral resources shell and are constrained by underground mineable shapes based on a cut-off grade of 4.9 grams of gold per tonne.
- Further information concerning the Kumtor deposit, including key assumptions, parameters and methods used to estimate mineral resources and mineral reserves, as well as, political, environmental and other risks are described in Centerra's most recently filed Annual Information Form and the Technical Report on the Kumtor Project, dated March 20, 2015 each of which has been filed on SEDAR.

Mount Milligan

- The mineral reserves have been estimated based on a gold price of \$1,200 per ounce, copper price of \$2.95 per pound and an exchange rate of 1USD:1.30CAD.
- The open pit mineral reserves are estimated based on an NSR cut-off of \$8.12 per tonne and takes into consideration metallurgical recoveries, concentrate grades, transportation costs, smelter treatment charges and royalty and streaming arrangements in determining economic viability.
- The mineral resources have been estimated based on a gold price of \$1,450 per ounce, copper price of \$3.50 per pound and an exchange rate of 1USD:1.30CAD.
- The open pit mineral resources are constrained by a pit shell and are estimated based on an NSR cut-off of \$8.12 per tonne and takes into consideration metallurgical recoveries, concentrate grades, transportation costs, smelter treatment charges and royalty and streaming arrangements in determining economic viability.
- Royal Gold streaming agreement entitles Royal Gold to 35% and 18.75% of gold and copper sales, respectively, from the Mount Milligan mine. Under the stream arrangement, Royal Gold will pay \$435 per ounce of gold delivered and 15% of the spot price per metric tonne of copper delivered.
- Further information concerning the Mount Milligan deposit is described in the technical report, Mount Milligan Mine, Northern Central British Columbia dated January 21, 2015 and filed on SEDAR at www.sedar.com by Thompson Creek Metals Company Inc. The technical report describes the exploration history, geology and style of gold mineralization at the Mount Milligan deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent certified assay labs.
- The Company plans to complete and file a new NI 43-101 technical report on the Mount Milligan mine by the end of March 2017.

Boroo

- The unconstrained open pit mineral resources are estimated as all material below the pit above a 0.5 grams of gold per tonne cut-off grade.

Gatsuurt

- The mineral reserves have been estimated based on a gold price of \$1,200 per ounce and an exchange rate of 1USD:1,900MNT.
- The open pit mineral reserves and mineral resources are estimated using a 1.4 grams of gold per tonne cut-off grade.
- The unconstrained open pit mineral resources are estimated as all material below the reserve pit above the 1.4 grams per tonne cutoff grade.
- Further information concerning the Gatsuurt deposit, including key assumptions, parameters and methods used to estimate mineral resources and mineral reserves, as well as, political, environmental and other risks are described in Centerra's most recently filed Annual Information Form and the Technical Report on the Gatsuurt Project, dated May 9, 2006 each of which has been filed on SEDAR.

Ulaan Bulag

- The open pit mineral resources are estimated on a cut-off grade of 0.8, 0.9 or 1.0 grams of gold per tonne depending on ore type and process method.

ATO

- Mineral resources have been estimated on the following metal prices (gold \$1,300 per ounce), (silver \$20 per ounce), (lead \$ 0.90 per lb), (zinc \$0.90 per lb).
- The unconstrained open pit mineral resources are estimated based on a Net Smelter Return (NSR) cut-off grade of \$6.50 NSR per tonne for oxide mineralization and \$25.50 NSR per tonne for sulphide mineralization.
- As of January 31, 2017, Centerra Gold's Mongolian subsidiary, Centerra Gold Mongolia (CGM) entered into definitive agreements to sell the ATO Project, located in Eastern Mongolia, to Steppe Gold LLC and Steppe Gold Limited.

Öksüt

- The mineral reserves have been estimated based on a gold price of \$1,200 per ounce and an exchange rate of 1USD:0.95EUR.
- The open pit mineral reserves are estimated based on a 0.3 grams of gold per tonne cut-off grade.
- The mineral resources have been estimated based on a gold price of \$1,450 per ounce.
- Open pit mineral resources are constrained by a pit shell and are estimated based on a 0.2 grams of gold per tonne cut-off grade.
- Further information concerning the Öksüt deposit, including key assumptions, parameters and methods used to estimate mineral resources and mineral reserves, as well as, political, environmental and other risks are described in Centerra's most recently filed Annual Information Form and the Technical Report on the Öksüt Project, dated September 3, 2015 each of which has been filed on SEDAR.

Greenstone Gold Property

Hardrock

- The mineral reserves have been estimated based on a gold price of \$1,250 per ounce and an exchange rate of 1USD:1.30CAD
- The open pit mineral reserves are estimated based on a 0.33 grams of gold per tonne cut-off grade.
- The mineral resources have been estimated based on a gold price of C\$1,625 per ounce.
- Open pit mineral resources are constrained by a pit shell and are estimated based on a 0.3 grams of gold per tonne cut-off grade.
- Underground mineral resources occur below the open pit mineral resources shell and are constrained by underground mineable shapes based on a cut-off grade of 2.0 grams of gold per tonne.
- Further information concerning the Hardrock deposit, including key assumptions, parameters and methods used to estimate mineral resources and mineral reserves, as well as, political, environmental and other risks are described in Centerra's most recently filed Annual Information Form and the Technical Report on the Hardrock Project, dated December 21, 2016 each of which has been filed on SEDAR.

Brookbank, Key Lake

- The mineral resources have been estimated based on a gold price of \$1,455 per ounce and an exchange rate of 1USD:1.18CAD.
- The unconstrained open pit mineral resources are estimated based on a 0.50 grams of gold per tonne cut-off grade.
- The unconstrained underground mineral resources are estimated based on a 2.8 grams of gold per tonne cut-off grade.

Kailey

- The mineral resources have been estimated based on a gold price of \$1,455 per ounce and an exchange rate of 1USD:1.18CAD.
- The unconstrained open pit mineral resources are estimated based on a 0.50 grams of gold per tonne cut-off grade.

Thompson Creek

- The mineral resources have been estimated based on a molybdenum price of \$10.00 per pound.
- The unconstrained open pit mineral resources are estimated based on a 0.030% molybdenum per tonne cut-off grade.

Endako

- The mineral resources have been estimated based on a molybdenum price of \$10.00 per pound and an exchange rate of 1USD:1.00CAD.
- The unconstrained open pit mineral resources are estimated based on a 0.030% molybdenum per tonne cut-off grade.

Berg

- The mineral resources have been estimated based on a copper price of \$1.60 per pound, molybdenum price of \$10.00 per pound, silver price of 10.00 per ounce and an exchange rate of 1USD:1.00CAD.
- The unconstrained open pit mineral resources are estimated based on a 0.30% copper equivalent cut-off grade to a maximum depth of 450 metres below surface.

Material Assumptions and Risks:

Material assumptions or factors used to estimate mineral reserves in this news release include the following:

- a gold price of \$1,200 per ounce, except at Hardrock which used \$1,250 per ounce
- a copper price of \$2.95 per pound
- exchange rates:
 - \$1USD:\$1.30 CAD
 - \$1USD:65 Kyrgyz som
 - \$1USD: 1,900 Mongolian tugriks
 - \$1USD:0.95 Euro

The assumed diesel price of \$0.55/litre at Kumtor assumes that no Russian export duty will be paid on the fuel exports from Russia to the Kyrgyz Republic. Diesel fuel is sourced from separate Russian suppliers and only loosely correlates with world oil prices. The diesel fuel price assumptions were made when the price of oil was approximately \$50 per barrel. Crude oil is a component of diesel fuel purchased by the Company, such that changes in the price of Brent crude oil generally impacts diesel fuel prices. The Company established a hedging strategy to manage changes in diesel fuel prices on the cost of operations at the Kumtor mine. The diesel fuel hedging program is a 24-month rolling program. The Company targets to hedge up to

70% of monthly diesel purchases for the first 12 months and 50% of the 13 through 24 month exposure by entering into hedging arrangements for Brent crude oil.

Other material assumptions were used in this news release to estimate mineral reserves and mineral resources. These material assumptions include the following:

- The resource models for each of the projects perform as expected.
- Gold and copper recovery rates at each of the projects are as expected.
- That the Company has sufficient cash on hand or available to it in order to fund anticipated operating and development costs.
- That any discussions between the Government of the Kyrgyz Republic and Centerra regarding the resolution of all outstanding matters affecting the Kumtor mine are satisfactory to Centerra, and that any such resolution will receive all necessary legal and regulatory approvals under Kyrgyz law and/or Canadian law.
- All mine plans, expertises and related permits and authorizations at Kumtor, including permits to allow the discharge of water from the tailings facility and for the raising of the tailings dam, receive timely approval from all relevant governmental agencies in the Kyrgyz Republic and are not subsequently withdrawn.
- Any recurrence of political or civil unrest in the Kyrgyz Republic will not impact operations, including movement of people, supplies and gold shipments to and from the Kumtor mine and/or power to the mine site.
- Any actions taken by the Kyrgyz Republic Parliament and Government do not have a material impact on operations or financial results. This includes any actions (i) being taken by the Parliament or Government to cancel the Kumtor Project Agreements; (ii) which are not consistent with the rights of Centerra and KGC under the Kumtor Project Agreements; or (iii) that cause any disruptions to the operation and management of KGC and / or the Kumtor Project.
- The previously disclosed claims received from the Kyrgyz regulatory authorities (SIETS and SAEPF) and related Kyrgyz Republic court decisions, the claims of the Kyrgyz Republic's General Prosecutor's Office purporting to invalidate land use rights and/or seize land at Kumtor and to unwind the \$200 million inter-company dividend declared and paid by KGC to Centerra in December 2013, criminal and other investigations initiated by the GPO in connection with loans and dividends made by KGC and the alleged misuse of funds or other property at KGC, any further claims by Kyrgyz authorities, whether environmental allegations or otherwise are resolved without material impact on Centerra's operations or financial results.
- Any sanctions imposed on Russian entities do not have a negative effect on the costs or availability of inputs or equipment to the Kumtor Project.
- The movement in the Central Valley Waste Dump at Kumtor, initially referred to in the Annual Information Form for the year ended December 31, 2013, and in the Lysii and Sarytor Waste Dumps, does not accelerate and will be managed to ensure continued safe operations, without impact to gold production.
- The buttress constructed at the bottom of the Davidov glacier continues to function as planned.
- The Company is able to manage the risks associated with the increased height of the pit walls at Kumtor.
- The dewatering program at Kumtor continues to produce the expected results and the water management system works as planned.
- The pit walls at Kumtor and Mount Milligan remain stable.
- The mineral resource block model at Kumtor and Mount Milligan reconciles as expected against production.
- The Kumtor mill and the Mount Milligan processing plant continues to operate as expected.

- Commissioning of the permanent secondary crushing plant at Mount Milligan continues within schedule and budget, and performs as designed.
- The Mount Milligan processing facility continues to have access to sufficient water supplies to operate year round.
- There are no adverse regulatory changes affecting Mount Milligan operations and acquired molybdenum assets.
- Exchange rates, prices of key consumables, costs of power, water usage fees, and any other cost assumptions at all operations and projects of the Company are not significantly higher than prices assumed in planning.
- No unplanned delays in or interruption of scheduled production from our mines, including due to climate/weather conditions, political or civil unrest, natural phenomena, regulatory or political disputes, equipment breakdown or other developmental and operational risks.

The Company cannot give any assurances in this regard.

Mineral reserve and mineral resource estimates are forward-looking information and are based on key assumptions and subject to material risk factors. If any event arising from these risks occurs, the Company's business, prospects, financial condition, results of operations or cash flows and the market price of Centerra's shares could be adversely affected. Additional risks and uncertainties not currently known to the Company, or that are currently deemed immaterial, may also materially and adversely affect the Company's business operations, prospects, financial condition, results of operations or cash flows and the market price of Centerra's shares. See the section entitled "Risk Factors" in the Company's annual Management's Discussion and Analysis (MD&A) for the year-ended December 31, 2016, available on SEDAR at www.sedar.com and see also the discussion below under the heading "Cautionary Regarding Forward-looking Information".

Qualified Person & QA/QC

All mineral reserve and mineral resource estimates, production information and other scientific and technical information in this news release were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") and were prepared, reviewed, verified and compiled by Centerra's geological and mining staff under the supervision of Gordon Reid, Professional Engineer and Centerra's Vice-President and Chief Operating Officer, who is the qualified person for the purpose of NI 43-101. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent certified assay labs are used with the exception of the Kumtor project as described in its technical report dated March 20, 2015.

The Kumtor deposit is described in Centerra's most recently filed Annual Information Form and a NI 43-101 technical report dated March 20, 2015 and filed on SEDAR at www.sedar.com. The technical report describes the exploration history, geology and style of gold mineralization at the Kumtor deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the drilling programs at the Kumtor site prior to April 2013 are described in the technical report.

The Mount Milligan deposit is described in the NI 43-101 Technical Report, Mount Milligan Mine, Northern Central British Columbia dated January 21, 2015 and filed on SEDAR at www.sedar.com by Thompson Creek Metals Company Inc. The technical report describes the exploration history, geology and style of gold mineralization at the Mount Milligan deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent certified assay labs.

The Boroo deposit is described in Centerra's most recently filed Annual Information Form and a technical report dated December 17, 2009 prepared in accordance with NI 43-101, both of which are available on SEDAR at www.sedar.com. The technical report describes the exploration history, geology and style of gold mineralization at the Boroo deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the drilling programs at the Boroo site are the same as, or similar to, those described in the technical report.

The Gatsuurt deposit is described in Centerra's most recently filed Annual Information Form and a technical report dated May 9, 2006 prepared in accordance with NI 43-101. The technical report has been filed on SEDAR at www.sedar.com. The technical report describes the exploration history, geology and style of gold mineralization at the Gatsuurt deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the drilling programs at the Gatsuurt Project are the same as, or similar to, those described in the technical report.

The Öksüt deposit is described in Centerra's most recently filed Annual Information Form and a technical report dated September 3, 2015 prepared in accordance with NI 43-101. The technical report has been filed on SEDAR at www.sedar.com. The technical report describes the exploration history, geology and style of gold mineralization at the Öksüt deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the drilling programs at the Öksüt Project are the same as, or similar to, those described in the technical report.

The Hardrock deposit is described in Centerra's most recently filed Annual Information Form and a technical report dated December 21, 2016 prepared in accordance with NI 43-101. The technical report has been filed on SEDAR at www.sedar.com. The technical report describes the exploration history, geology and style of gold mineralization at the Hardrock deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the drilling programs at the Hardrock Project are the same as, or similar to, those described in the technical report.

Caution Regarding Forward-Looking Information

Information contained in this news release which are not statements of historical facts, and the documents incorporated by reference herein, may be "forward-looking information" for the purposes of Canadian securities laws. Such forward-looking information involves risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward looking information. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things mineral reserve and mineral resource estimates.

Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable by Centerra, are inherently subject to significant political, business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward looking information. Factors that could cause actual results or events to differ materially from current expectations include, among other things: (A) strategic, legal, planning and other risks, including: political risks associated with the Company's operations in the Kyrgyz Republic, Mongolia and Turkey; resource nationalism including the management of external stakeholder expectations; liquidity risks created by Centerra's inability to access funds held at KGC; the impact of changes in, or to the more aggressive enforcement of, laws, regulations and government practices in the jurisdictions in which the Company operates including any delays or refusals to grant required permits and licenses, unjustified civil or criminal action against the Company, its affiliates or its current or former employees; risks that community activism may result in increased contributory demands or in business interruptions; the impact of any actions taken by the Kyrgyz Republic Government and Parliament relating to the Kumtor Project Agreements which are inconsistent with the rights of Centerra and KGC under the Kumtor Project Agreements; any impact on the purported cancellation of

Kumtor's land use rights at the Kumtor Project pursuant to a court claim commenced by the Kyrgyz Republic GPO; the risks related to other outstanding litigation affecting the Company's operations in the Kyrgyz Republic and elsewhere; the potential impact on the Kumtor Project of investigations by Kyrgyz Republic instrumentalities and movement restrictions on KGC employees and managers; the impact of changes to, the increased enforcement of, environmental laws and regulations relating to the Company's operations; the impact of any sanctions imposed by Canada, the United States or other jurisdictions against various Russian individuals and entities; potential defects of title in the Company's properties that are not known as of the date hereof; the inability of the Company and its subsidiaries to enforce their legal rights in certain circumstances; the presence of a significant shareholder that is a state-owned company of the Kyrgyz Republic; risks related to anti-corruption legislation; risks related to the concentration of assets in Central Asia; Centerra's future exploration and development activities not being successful; Centerra not being able to replace mineral reserves; difficulties with Centerra's joint venture partners; and aboriginal claims and consultative issues relating to the Company's properties which are in proximity to First Nations communities; potential risks related to kidnapping or acts of terrorism; (B) risks relating to financial matters, including: sensitivity of the Company's business to the volatility of gold and copper prices, the imprecision of the Company's mineral reserves and mineral resources estimates and the assumptions they rely on, the accuracy of the Company's production and cost estimates, the impact of restrictive covenants in the Company's credit facilities which may, among other things, restrict the Company from pursuing certain business activities or making distributions from its subsidiaries, the Company's ability to obtain future financing, the impact of global financial conditions, the impact of currency fluctuations, the effect of market conditions on the Company's short-term investments, the Company's ability to make payments including any payments of principal and interest on the Company's debt facilities depends on the cash flow of its subsidiaries; and (C) risks related to operational matters and geotechnical issues and the Company's continued ability to successfully manage such matters, including: movement of the Davidov Glacier and the waste and ice movement at the Kumtor Project, the continued performance of the buttress; the occurrence of further ground movements at the Kumtor Project and mechanical availability; the ability of the Company to successfully commission the secondary crusher at the Mt. Milligan Project; the success of the Company's future exploration and development activities, including the financial and political risks inherent in carrying out exploration activities; inherent risks associated with the use of sodium cyanide in the mining operations; the adequacy of the Company's insurance to mitigate operational risks; mechanical breakdowns; the Company's ability to obtain the necessary permits and authorizations to (among other things) raise the tailings dam at the Kumtor Project to the required height; the Company's ability to replace its mineral reserves; the occurrence of any labour unrest or disturbance and the ability of the Company to successfully re-negotiate collective agreements when required; the risk that Centerra's workforce may be exposed to widespread epidemic; seismic activity in the vicinity of the Company's operations; long lead times required for equipment and supplies given the remote location of some of the Company's operating properties; reliance on a limited number of suppliers for certain consumables, equipment and components; illegal mining on the Company's Mongolian properties; the Company's ability to accurately predict decommissioning and reclamation costs; the Company's ability to attract and retain qualified personnel; competition for mineral acquisition opportunities; and risks associated with the conduct of joint ventures/partnerships; the Company's ability to manage its projects effectively and to mitigate the potential lack of availability of contractors, budget and timing overruns and project resources. See "Risk Factors" in the Company's MD&A for the year-ended December 31, 2016 available on SEDAR at www.sedar.com.

Furthermore, market price fluctuations in gold, as well as increased capital or production costs or reduced recovery rates may render ore reserves containing lower grades of mineralization uneconomic and may ultimately result in a restatement of mineral reserves. The extent to which mineral resources may ultimately be reclassified as proven or probable mineral reserves is dependent upon the demonstration of their profitable recovery. Economic and technological factors which may change over time always influence the evaluation of mineral reserves or mineral resources. Centerra has not adjusted mineral resource figures in consideration of these risks and, therefore, Centerra can give no assurances that any mineral resource estimate will ultimately be reclassified as proven and probable mineral reserves.

Mineral resources are not mineral reserves, and do not have demonstrated economic viability, but do have reasonable prospects for economic extraction. Measured and indicated mineral resources are sufficiently well defined to allow geological and grade continuity to be reasonably assumed and permit the application of technical and economic parameters in assessing the economic viability of the resource. Inferred mineral resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred mineral resources are too speculative geologically to have economic considerations applied to them to enable them to be categorized as mineral reserves. There is no certainty that mineral resources of any category can be upgraded to mineral reserves through continued exploration.

Centerra's mineral reserve and mineral resource figures are estimates and Centerra can provide no assurances that the indicated levels of gold or copper will be produced or that Centerra will receive the gold or copper price assumed in determining its mineral reserves. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While Centerra believes that these mineral reserve and mineral resource estimates are well established and the best estimates of Centerra's management, by their nature mineral reserve and mineral resource estimates are imprecise and depend, to a certain extent, upon analysis of drilling results and statistical inferences which may ultimately prove unreliable. If Centerra's mineral reserve or mineral resource estimates for its properties are inaccurate or are reduced in the future, this could have an adverse impact on Centerra's future cash flows, earnings, results or operations and financial condition.

Centerra estimates the future mine life of its operations. Centerra can give no assurance that mine life estimates will be achieved. Failure to achieve these estimates could have an adverse impact on Centerra's future cash flows, earnings, results of operations and financial condition.

There can be no assurances that forward-looking information and statements will prove to be accurate, as many factors and future events, both known and unknown could cause actual results, performance or achievements to vary or differ materially, from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements contained herein or incorporated by reference. Accordingly, all such factors should be considered carefully when making decisions with respect to Centerra, and prospective investors should not place undue reliance on forward looking information. Forward-looking information is as of February 23, 2017. Centerra assumes no obligation to update or revise forward looking information to reflect changes in assumptions, changes in circumstances or any other events affecting such forward-looking information, except as required by applicable law.

About Centerra

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 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 based in Toronto, Ontario, Canada.

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Additional information on Centerra is available on the Company's web site at www.centerragold.com and at SEDAR at www.sedar.com.

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