

centerra**GOLD**



NEWS RELEASE

Centerra Gold Provides Update on Strategic Agreement with the Kyrgyz Republic

TORONTO, CANADA – April 20, 2018 – Centerra Gold Inc. (TSX: CG) announced today that it has agreed with the Government of the Kyrgyz Republic to extend the First Longstop Date under the Strategic Agreement for Environmental Protection and Investment Promotion previously entered into with the Government of the Kyrgyz Republic on September 11, 2017. The First Longstop Date is the date by which all conditions precedent to the completion of the Strategic Agreement are required to be satisfied and it has been extended by agreement of the parties from April 20, 2018 to May 31, 2018.

The Company notes that the government of Prime Minister Sapar Isakov was dismissed by the President of the Kyrgyz Republic yesterday following a vote of no confidence in the Kyrgyz Republic Parliament. We understand that Parliament is in the process of appointing a new government and that Mr. Isakov and other government officials will continue in their roles until a new government is formed.

Centerra expects to continue to work with the Government of the Kyrgyz Republic to ensure the satisfaction of the remaining conditions precedent to completion of the Strategic Agreement, including the termination of certain legal proceedings and the granting of land use permits. The Company notes that many of the conditions precedent have already been satisfied, including the granting of various permits and approvals for the Kumtor Mine. In addition, the Government of the Kyrgyz Republic has terminated all of the environmental claims previously brought by the Kyrgyz Republic State Inspectorate Office for Environmental and Technical Safety (SIETS).

While the Strategic Agreement provides a pathway for the resolution of all outstanding matters affecting the Kumtor Project, there are no assurances that all of the conditions precedent to the completion of the settlement contained in the Strategic Agreement will be satisfied. The inability to successfully resolve all such matters, whether through the Strategic Agreement or otherwise could have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Cautionary Note Regarding Forward-looking Information

Information contained in this news release which is not a statement of historical fact may be “forward-looking information” for the purposes of Canadian securities laws. Such forward-looking information involves assumptions, 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”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule”, “understand” and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things: the Company's expectations regarding its future discussions with the Government of the Kyrgyz Republic to satisfy the remaining conditions precedent, and reach completion of, the Strategic Agreement.

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: risks that any of the conditions precedent to the Strategic Agreement will not be satisfied in a timely manner or at all, particularly as the Government may not bind the General Prosecutor's Office or the Parliament of the Kyrgyz Republic; a decision by the General Prosecutor's Office, or its successor the Anti-Corruption Service of the State Committee for National Security, to re-open at any time civil or criminal proceedings against Centerra, its subsidiaries or other stakeholders; the failure of the Government to comply with its continuing obligations under the Strategic Agreement, including the requirement that it comply at all times with its obligations under the 2009 Kumtor Project Agreements, allow for the continued operation of the Kumtor Mine by Kumtor Gold Company (KGC) and Kumtor Operating Company (KOC) and not take any expropriatory action; actions by the Government or any state agency or the General Prosecutor's Office that serve to restrict or otherwise interfere with the payment of funds by KGC and KOC to Centerra. See section titled "Risks that can affect our business" in the Company's most recently filed Annual Information Form available on SEDAR at www.sedar.com.

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 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 based in Toronto, Ontario, Canada.

For more information:

John W. Pearson
Vice President, Investor Relations
(416) 204-1953
john.pearson@centerragold.com

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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