

centerra**GOLD**



NEWS RELEASE

Centerra Gold Announces 2013 Consolidated Gold Production of 690,720 ounces and Provides 2014 Guidance

This news release contains forward-looking information that is subject to the risk factors and assumptions set out on page 5 and in our Cautionary Note Regarding Forward-looking Information on page 8. All figures are in United States dollars.

Toronto, Canada, January 13, 2014: Centerra Gold Inc. (TSX: CG) announced today that its 2013 consolidated gold production totalled 690,720 ounces, which includes 600,402 ounces of gold from the Kumtor mine, located in the Kyrgyz Republic and 90,318 ounces of gold from the Boroo mine, located in Mongolia. During the fourth quarter of 2013, consolidated gold production was 362,234 ounces, including 348,130 ounces of gold produced by the Kumtor mine and 14,104 ounces of gold produced by the Boroo mine.

Ian Atkinson, President and CEO of Centerra stated, “We are very pleased to report that both operations exceeded the Company’s 2013 production guidance. At Kumtor, in the fourth quarter the mine produced 348,130 ounces as we accessed and mined the high-grade SB Zone. The Boroo operation continued to perform well in the fourth quarter, exceeding our production guidance for the year by 5,000 ounces due primarily to higher than expected recoveries and head grade.”

“For 2014 we are estimating gold production to be in the range of 595,000 to 645,000 ounces. We have not included any production from Gatsuurt in our production guidance for 2014 due to the associated uncertainty of approval and commissioning of the project. Centerra’s projected consolidated all-in sustaining cost per ounce sold¹ for 2014 is within a range of \$875 to \$950 and consolidated all-in cost per ounce sold¹ is \$989 to \$1,074. This demonstrates the Company’s good margins at the current gold price and leverage to increases in the gold price,” he concluded.

Outlook for 2014

Kumtor’s forecasted 2014 production and costs discussed in this news release are provided on a 100% basis and the forecast does not make any assumptions regarding possible changes in the structure and management of the Kumtor Project, including without limitation the level of ownership resulting from ongoing discussions with the Government of the Kyrgyz Republic and Kyrgyzaltyn JSC, Centerra’s largest shareholder. See “Material Assumption and Risks” for other material assumptions or factors used to forecast production and costs for 2014.

Gold Production

Centerra’s 2014 consolidated gold production is expected to be 595,000 to 645,000 ounces.

Centerra estimates that the Kumtor mine will produce between 550,000 and 600,000 ounces in 2014 and, similar to 2013, over 50% of this gold production is expected during the fourth quarter when mining will reach the high-grade section of the SB Zone.

The 2014 production guidance range is lower than that outlined in the life of mine plan set out in the Kumtor technical report filed on December 20, 2012 (the “2012 life of mine plan”) as a result of a lower 2014 starting ore stockpile inventory and a reduction in the rate of vertical advancement of cutback 16, which provides access to the high grade SB zone ore in 2014.

¹ Non-GAAP measure and is described in detail in this release.

At the Boroo mine, gold production is forecast to be approximately 45,000 ounces. The forecasted annual production at Boroo includes about 20,000 ounces from heap leaching and 25,000 ounces from the mill. The Boroo mill is expected to process ore stockpiles during the year with an average grade of 0.70 g/t gold. The 2014 forecast assumes no mining activities at Boroo or Gatsuurt, and no gold production from Gatsuurt.

Adoption of World Gold Council Unit Costs¹:

The World Gold Council (WGC) on June 27, 2013 released guidance regarding the non-GAAP measures “All-In Sustaining Costs” and “All-In Costs”. The Company has reviewed the WGC’s recommended measures and assessed their impact. Effective as of January 1, 2014, the Company has adopted the WGC’s measures and has modified its calculation of its “all-in cash cost” measure (by referring to gold sold rather than gold produced and by including Community investment costs at each mine site rather than just at the consolidated level, Changes in Inventory and Accretion Expenses) to conform to the guidance put forward by the WGC.

Centerra’s 2014 all-in sustaining costs per ounce sold¹ and all-in costs per ounce sold¹ are forecast as follows:

	Kumtor	Boroo	Consolidated
Ounces sold forecast	550,000-600,000	Approximately 45,000	595,000-645,000
US \$ / gold ounces sold			
Operating costs ¹	\$358 – 390	\$956	\$400 – 434
Changes in inventories	(29) – (30)	438 ⁴	4 – 4
Operating Costs (on a sales basis)¹	\$329 – 360	\$1,394	\$404 – 438
Regional office administration	32 – 35	128	39 – 42
Community costs related to current operations	13 – 13	13	12 – 14
Refining costs & By-product credits	(1) – (1)	(2)	(1) – (1)
Sub-Total (Adjusted Operating Costs)¹	\$373 – 407	\$1,533	\$454 – 493
Corporate General & Administrative costs	–	–	57– 62
Accretion expense	1 – 1	7	1 – 2
Capitalized stripping costs – cash	319 – 348	–	296 – 321
Capital expenditures (sustaining) ¹	69 – 76	17	67 – 72
All-in Sustaining Costs¹	\$762 – 832	\$1,557	\$875 – 950
Capital expenditures (growth) ¹	71 – 77	–	66 – 72
Other costs ²	–	–	48 – 52
All-in Costs¹	\$833 – 909	\$1,557	\$989 – 1,074
Income and Revenue-based tax ³	\$175 – 191	–	\$163 – 176
All-in Costs including Taxes^{1,3}	\$1,008 – 1,100	\$1,557	\$1,152 – 1,250

For further information regarding the definitions of “All-in Sustaining Costs”, and “All-in Costs”, see below in this release and in the WGC’s “Guidance Note on non-GAAP metrics – All-in Sustaining Costs and All-in Costs” which has been posted on the Company’s website.

¹ Non-GAAP measure, see discussion under “Non-GAAP Measures”.

² Other costs per ounce sold include global exploration expenses, business development expenses, and project development costs not related to current operations.

³ Includes revenue-based tax that reflects a forecasted gold price assumption from \$1,250 per ounce sold.

⁴ The Boroo operation is nearing the end of its mine life. All forecast production and sales are a result from drawing down upon the existing stockpiles.

2014 Exploration Expenditures

Planned exploration expenditures for 2014 total approximately \$20 million, which is \$10 million lower than the 2013 forecast of \$30 million. No expenditures are planned for exploration at Kumtor which accounts for most of the reduction in the planned exploration costs.

In Mongolia, approximately \$6 million is planned for exploration programs in the greater ATO district. In Turkey, approximately \$3.5 million is allocated for further exploration work on the Öksüt property and \$2.5 million to test exploration targets elsewhere in the region. Exploration spending for Russia is planned at approximately \$3 million and includes funds to complete the assessment of targets on the Dvoinoy and Umlekan joint ventures.

The 2014 exploration plan also includes \$3 million to fund programs of generative exploration and advanced-project evaluations in Turkey, the Caucasus, Russia, Asia and western Canada. These programs will fund efforts to identify, evaluate and acquire drill-ready through resource-development gold projects in high-ranking geologic terrains.

2014 Capital Expenditures

Centerra's projected capital expenditures for 2014, excluding capitalized stripping, are estimated to be \$86 million, including \$43 million of sustaining capital¹ and \$43 million of growth capital¹.

Projected capital expenditures (excluding capitalized stripping) include:

Projects	2014 Growth Capital ¹ (millions of dollars)	2014 Sustaining Capital ¹ (millions of dollars)
Kumtor mine	\$43	\$42
Mongolia (Boroo and Gatsuurt)	-	1
Consolidated Total	\$43	\$43

Kumtor

At Kumtor, 2014 total capital expenditures, excluding capitalized stripping, are forecast to be \$85 million. Spending on sustaining capital¹ relates primarily to the major overhaul maintenance of the heavy duty mine equipment (\$32 million), purchase of replacement mining equipment and ball mill girth gear (\$5 million), tailings dam construction raise (\$3 million) and other items (\$2 million).

Growth capital¹ investment at Kumtor for 2014 is forecast at \$43 million and includes the relocation of certain infrastructure at Kumtor related to the KS-13 life-of-mine expansion plan amounting to \$32 million, dewatering projects (\$4 million) and purchase of new mining equipment (\$7 million).

The cash component of capitalized stripping costs related to the development of the open pit is expected to be \$191 million in 2014.

Mongolia (Boroo and Gatsuurt)

At Boroo, 2014 sustaining capital¹ expenditures are expected to be \$1 million primarily for maintenance rebuilds and overhauls.

No growth capital¹ is forecast for Boroo or Gatsuurt.

2014 Corporate Administration and Community Investment

Corporate and administration expense for 2014 is forecast to be \$41 million, which includes \$37 million for corporate and administration costs, and \$4 million for business development activities.

¹ Non-GAAP measure, see discussion under "Non-GAAP Measures".

Total planned community investments for 2014 are forecast at \$8 million, which includes \$5 million for donations, and sustainable development projects in the various communities in which Centerra operates and \$3 million for strategic community investment projects.

Öksüt Project

The Company expects to complete a preliminary economic assessment in the first quarter of 2014 and if such assessment is positive, expects to commence a feasibility study for its Öksüt property in 2014. The total planned spending in 2014 of \$10 million includes work for technical studies, environmental and social impact assessment and project support (collectively, \$6.4 million) and \$3.5 million for exploration (discussed earlier).

2014 Depreciation, Depletion and Amortization

Consolidated depreciation, depletion and amortization expense included in costs of sales expense for 2014 is forecasted to be approximately \$290 million, including approximately \$275 million at Kumtor and \$15 million at Boroo.

Taxes

Pursuant to the Restated Investment Agreement, Kumtor's operations are not subject to corporate income taxes. The agreement replaced the prior tax regime applicable to the Kumtor Project with a simplified tax regime effective January 1, 2008. This simplified regime, which assesses tax at 13% on gross revenue (plus 1% for the Issyk-Kul Oblast Development Fund) effective January 2009, was approved and enacted by the Parliament of the Kyrgyz Republic on April 30, 2009.

The corporate income tax rate for Centerra's Mongolian subsidiary, Boroo Gold LLC, is 25% for taxable income over 3 billion Mongolian tugriks (approximately \$1.8 million at the December 31, 2013 foreign exchange rate) with a tax rate of 10% for taxable income up to that amount. Following the expiration of the Boroo Stability Agreement in July 2013, Boroo Gold LLC's corporate income tax rate was unchanged, however the royalty paid to the government increased from 5% to a rate varying between 5% and 10% based on the price of gold, to a maximum of 10% for gold prices at or above \$1,300 an ounce. Boroo is not forecast to pay any income tax in 2014.

Production, cost and capital forecasts for 2014 are forward-looking information and are based on key assumptions and subject to material risk factors that could cause actual results to differ materially and which are discussed herein under the headings "Material Assumptions & Risks" and "Cautionary Note Regarding Forward-Looking Information" and under the heading "Risk Factors" in the Company's Annual Information Form for the year ended December 31, 2012.

Sensitivities:

Centerra's revenues, earnings and cash flows for 2014 are sensitive to changes in certain variables and the Company has estimated the impact of any such changes on revenues, net earnings and cash from operations.

	Change	Impact on (\$ millions)			
		Costs	Revenues	Cash flow	Earnings before income tax
Gold Price	\$50/oz	4.9	32.1	27.2	27.2
Diesel Fuel ⁽¹⁾	10%	10.5	-	10.5	10.5
Kyrgyz som ⁽²⁾	1 som	3.0	-	3.0	3.0
Mongolian tugrik ⁽²⁾	25 tugrik	0.5	-	0.5	0.5
Canadian dollar ⁽²⁾	10 cents	2.8	-	2.8	2.8

(1) a 10% change in diesel fuel price equals \$16/oz produced

(2) appreciation of currency against the US dollar will result in higher costs and lower cash flow and earnings, depreciation of currency against the US dollar results in decreased costs and increased cash flow and earnings

Material Assumptions and Risks:

Material assumptions or factors used to forecast production and costs for 2014 include the following:

- a gold price of \$1,250 per ounce,
- exchange rates:
 - \$1USD:\$1.05 CAD
 - \$1USD:48.5 Kyrgyz som
 - \$1USD:1,600 Mongolian tugriks
 - \$1USD:0.81 Euro
- diesel fuel price assumption:
 - \$0.75/litre at Kumtor
 - \$1.22/litre at Boroo

The Company cannot give any assurances in this regard.

The assumed diesel price of \$0.75/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 for both sites and only loosely correlates with world oil prices. The diesel fuel price assumptions were made when the price of oil was approximately \$108 per barrel.

Other material assumptions were used in forecasting production and costs for 2014. The Company cannot give any assurances in this regard. These material assumptions include the following:

- That current discussions between the Government of the Kyrgyz Republic and Centerra regarding a potential restructuring of the Kumtor Project will result in a mutually satisfactory solution to the outstanding matters affecting the Kumtor project, which is fair to all of Centerra's shareholders, and that such proposal will receive all necessary legal and regulatory approvals under Kyrgyz law and/or Canadian law.
- 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.
- The activities of the Kyrgyz Republic Parliament and Government, referred to under the heading "Other Corporate Developments – Kyrgyz Republic" in the Company's third quarter results news release dated October 30, 2013 and subsequent news releases do not have a material impact on operations or financial results. This includes any action being taken by the Parliament or Government to cancel the current project agreements governing the Kumtor Project, or taking any actions which would be inconsistent with the rights of Centerra, Kumtor Gold Company and Kumtor Operating Company under the project agreements.
- The previously disclosed environmental claims received from the Kyrgyz regulatory authorities in the aggregate amount of \$467 million, the claim received from the Kyrgyz Green Party for \$9 billion, and any further claims, whether alleging environmental allegations or otherwise, are resolved without material impact on Centerra's operations or financial results.
- The movement in the Central Valley Waste Dump at Kumtor, referred to under the heading "Other Corporate Developments – Kyrgyz Republic – Kumtor Waste Dump Movement" in the third quarter results news release dated October 30, 2013, does not accelerate and will be managed to ensure continued safe operations, without impact to gold production, including the successful demolition of buildings and relocation of certain other infrastructure as planned.
- Grades and recoveries at Kumtor will remain consistent with the 2014 production plan to achieve the forecast gold production.
- The Company is able to manage the risks associated with the increased height of the pit walls at Kumtor.
- The timing of the infrastructure move at Kumtor not impacting the maintenance of the mobile fleet and its availability.
- The dewatering program at Kumtor continues to produce the expected results and the water management system works as planned.
- The Company is able to satisfactorily manage the ice movement and to unload the ice and waste in the southeast portion of the Kumtor pit.
- The Kumtor ball mill and the rotated ring gear or replacement ring gear continue to operate as expected.

- The successful negotiation of new collective agreements at both Kumtor and Boroo, both of which expire December 31, 2014, without any labour actions/strikes and without significantly increasing labour costs.
- There are no changes to the Mongolian tax regime which would impact Boroo operations because of the expiry of the Boroo Stability Agreement in July 2013.
- Prices of key consumables, costs of power and water usage fees are not significantly higher than prices assumed in planning.
- Precious metal prices and costs remain stable and do not result in an impairment to the Company's asset valuations.
- No unplanned delays in or interruption of scheduled production from our mines, including due to civil unrest, natural phenomena, regulatory or political disputes, equipment breakdown or other developmental and operational risks.
- All necessary permits, licenses and approvals are received in a timely manner.

Production and cost forecasts and capital 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 and results of operations and cash flows 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 "Cautionary Note Regarding Forward-Looking Information" in this news release and also the Risk Factors listed in the Company's Annual Information Form for the year ended December 31, 2012, available on SEDAR at www.sedar.com.

Non-GAAP Measures

On June 27, 2013, the World Gold Council (WGC) released guidance regarding the non-GAAP measures "All-In Sustaining Costs" and "All-In Costs". The Company has reviewed the WGC's recommended measures and assessed their impact. The Company has adopted the WGC's measures and has modified its calculation of its "all-in cash cost" measure to conform to the industry's standard following its review. Going forward, the Company will restate the comparative periods and will provide reconciliation of these new non-GAAP measures to the most comparable GAAP measure.

The WGC is a market development organization for the gold industry comprised of and funded by 21 gold mining companies from around the world, including Centerra. The WGC is not a regulatory organization.

This news release contains the following non-GAAP financial measures: All-in sustaining costs per ounce sold; all-in costs per ounce sold; all-in costs including taxes per ounce sold; operating costs per ounce sold; adjusted operating costs per ounce sold; sustaining capital; and growth capital.

These financial measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers, even against other issuers who may also be applying the WGC guidelines.

Management believes that the use of these non-GAAP measures will better meet the needs of analysts, investors and other stakeholders of the Company in understanding the costs associated with producing gold, understanding the economics of gold mining, assessing our operating performance, our ability to generate free cash flow from current operations and to generate free cash flow on an overall Company basis, and for planning and forecasting of future periods. However, the new measures do have limitations as analytical tools as they may be influenced by the point in the life cycle of a specific mine, and the level of additional exploration or expenditure a company has to make. Accordingly, these non-GAAP measures should therefore not be considered in isolation, or as a substitute for, analysis of our results as reported under GAAP.

For further information regarding the definitions of "All-in Sustaining Costs" and "All-in Costs", see the WGC's "Guidance Note on non-GAAP metrics – all-in sustaining costs and all-in costs" on the Company's website.

Definitions

The following is a description of the Non-GAAP measures used in this news release. The definitions are consistent with the WGC's Guidance Note on these non-GAAP measures:

- Operating costs per ounce sold include mine operating costs such as mining, processing, site support, royalties and operating taxes (except at Kumtor where revenue-based taxes are excluded), but exclude depreciation, depletion and amortization (DD&A), reclamation costs, financing costs, capital development and exploration.
- Adjusted operating costs per ounce sold include operating costs, regional office administration, community costs related to current operations, refining fees and by-product credits.
- All-in sustaining cost per ounce sold includes adjusted operating costs, the cash component of capitalized stripping costs, regional office administration costs, accretion expenses, and sustaining capital. The measure incorporates costs related to sustaining production.
- All-in cost per ounce sold includes all-in sustaining costs and additional costs for growth capital, corporate general and administrative expenses, global exploration expenses and community investments.
- All-in cost per ounce sold excludes the following costs:
 - Working capital (except for adjustments to inventory on a sales basis).
 - All financing charges (including capitalized interest).
 - Costs related to business combinations, asset acquisitions and asset disposals.
 - Other non-operating income and expenses including interest income, bank charges, and foreign exchange gains and losses.
- All-in cost including taxes per ounce sold measure includes revenue-based taxes at Kumtor and income taxes at Boroo.
- Capital expenditures (Sustaining) is a capital expenditure necessary to maintain existing levels of production. The sustaining capital expenditures maintain the existing mine fleet, mill and other facilities so that they function at levels consistent from year to year.
- Capital expenditures (Growth) is capital expended to expand the business or operations by increasing productive capacity beyond current levels of performance.

Qualified Person & QA/QC

The production information and related scientific and technical information in this news release, including the production estimates, were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101 ("NI 43-101") and were prepared, reviewed, verified and compiled by Centerra's geological and mining staff under the supervision of Dan Redmond, Ontario Professional Geoscientist, Centerra's Director, Technical Services – Mining, who is the qualified person for the purpose of NI 43-101.

The Kumtor deposit is described in a technical report filed December 20, 2012 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 Boroo deposit is described in Centerra's Annual Information Form for the year ended December 31, 2012 and a technical report dated December 17, 2009 prepared in accordance with NI 43-101, which is 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.

Cautionary Note Regarding Forward-looking Information

Information contained in this news release and the documents incorporated by reference herein, contain statements which are not current statements or historical facts and 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, the statements made under the heading, “Outlook for 2014”; the Company’s expectations regarding future production, all-in sustaining costs per ounce sold¹ and all-in costs per ounce sold¹, expected recoveries; 2014 exploration expenditures; 2014 capital expenditures; 2014 corporate administration and community investment expenses; 2014 depreciation, depletion and amortization expenses; 2014 tax expenses; and Centerra’s plans to commence a feasibility study for its Öksüt property in 2014.

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. Material assumptions used to forecast production and costs include those described under the heading “Material Assumptions and Risks”. Factors that could cause actual results or events to differ materially from current expectations include, among other things: (A) political and regulatory risks, including the political risks associated with the Company’s principal operations in the Kyrgyz Republic and Mongolia, resource nationalism, 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, the impact of any actions taken by the Government and Parliament relating to the project agreements governing the Kumtor Project (the “Kumtor Project Agreements”) and any proposals to restructure the Kumtor project into a joint venture, the impact of any actions taken by the Kyrgyz authorities relating to allegations of environmental violations and other offences and the deliberate understatement of the reserves by management, any impact on the purported cancellation of Kumtor’s land use rights at the Kumtor Project, the effect of the Water and Forest Law on the Company’s operations in Mongolia, the effect of the 2006 Mongolian Minerals Law on the Company’s Mongolian operations, the effect of the November 2010 amendments to the 2006 Mongolian Minerals Law on the royalties payable in connection with the Company’s Mongolian operations, the impact of continued scrutiny from Mongolian regulatory authorities on the Company’s Boroo project, the impact of changes to, or the increased enforcement of, environmental laws and regulations relating to the Company’s operations; (B) risks related to operational matters and geotechnical issues, including the movement of the Central Valley Waste Dump, the waste and ice movement at the Kumtor Project and the Company’s continued ability to successfully manage such matters, the occurrence of further ground movements at the Kumtor Project, the timing of the infrastructure move potentially impacting the maintenance of the mobile fleet and its availability, the ability of the Company to access and mine the high-grade ore in the SB Zone, the success of the Company’s future exploration and development activities, including the financial and political risks inherent in carrying out exploration activities, 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, seismic activity in the vicinity of the Company’s operations in the Kyrgyz Republic and Mongolia, long lead times required for equipment and supplies given the remote location of the Company’s 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, risks associated with the conduct of joint ventures, and the possibility of failure of the

¹ Non-GAAP measure, see discussion under “Non-GAAP Measures”.

ring gear and spare ring gear at the Kumtor ball mill; (C) risks relating to financial matters including the sensitivity of the Company's business to the volatility of gold prices, the impact of declining gold prices and rising costs on the Company's asset valuation leading to potential impairment, the imprecision of the Company's mineral reserves and 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 revolving credit facility which may, among other things, restrict the Company from pursuing certain business activities, 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 (D) risks related to environmental and safety matters, including the ability to continue obtaining necessary operating and environmental permits, licenses and approvals, the impact of the significant environmental claims made in December 2012, February 2013 and December 2013 relating to the Kumtor Project, inherent risks associated with using sodium cyanide in the mining operations; legal and other factors such as litigation, defects in title in connection with the Company's properties, the Company's ability to enforce its legal rights, risks associated with having a significant shareholder, and possible director conflicts of interest. There may be other factors that cause results, assumptions, performance, achievements, prospects or opportunities in future periods not to be as anticipated, estimated or intended. See "Risks that can affect our business" in the Company's Annual Information Form for the year ended December 31, 2012, 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 reserves. The extent to which resources may ultimately be reclassified as proven or probable reserves is dependent upon the demonstration of their profitable recovery. Economic and technological factors which may change over time always influence the evaluation of reserves or 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 reserves.

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 January 13, 2014. 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 gold mining company focused on operating, developing, exploring and acquiring gold properties primarily in Asia, the former Soviet Union and other emerging 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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