

centerra**GOLD**



## NEWS RELEASE

### Centerra Gold Hedges Portion of 2017 Copper Production

**Toronto, Canada, January 24, 2017:** Centerra Gold Inc. (TSX: CG) has hedged a portion of its expected 2017 copper production from its Mount Milligan mine, located in northern British Columbia, Canada to increase its cash flow certainty during 2017.

On January 24, 2017, Centerra entered into fixed price forward sales contracts for 24.9 million pounds of Mount Milligan's expected 2017 copper production at an average price of US\$2.69 per pound. This represents approximately 51% of Mount Milligan's expected 2017 copper production, net of copper streaming arrangements with Royal Gold Inc. and is based on the midpoint for 2017 production guidance (see Centerra's news release dated January 16, 2017). Centerra's current policy is not to hedge more than 75% of its copper production, net of copper streaming arrangements.

The Company has also entered into zero-cost collars for 8.3 million pounds of copper with settlements dates during February to December 2017 at a minimum price of US\$2.25 per pound and a maximum price of US\$3.21 per pound of copper.

Centerra has no plans to hedge any of the unstreamed gold production from Mount Milligan.

#### **About Centerra**

Centerra 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 headquartered in Toronto, Ontario, Canada.

#### **Caution Regarding Forward-Looking Information**

Information contained in this news release which are not statements of historical facts 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 and performance to differ materially from those expressed or implied by such forward looking information. The words "believe", "expect", "anticipate", and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things, statements with respect to the hedging of the Company's 2017 gold and copper production.

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, assumptions that general industry and economic conditions will remain consistent with historical experience and management's expectations; that the estimation of mineral reserves and mineral resources will prove accurate; that Centerra's operation will not be restricted due to restrictive covenants in its credit facilities and that it will be able to obtain any additional

financing on satisfactory terms; that the market prices for relevant commodities and foreign exchange rates will not fluctuate unexpectedly, that future hedging opportunities will continue to be available to the Company on acceptable terms, that the Company will not be subject to unexpected operational and geotechnical risks, including as to its ability to successfully commission the secondary crusher at Mount Milligan and the risks of mechanical breakdowns, that Centerra will be able to obtain, maintain, renew or extend any required permits; risks relating to long lead times required for equipment and supplies; reliance on a limited number of suppliers for certain consumables, equipment and components; the Company's ability to attract and retain qualified personnel and negotiate with unionized personnel and its ability to manage its projects effectively. There can be no assurance that such information will prove to be accurate and actual results and future events could differ materially from those anticipated in such forward-looking information. Although Centerra believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the Company. See section titled "Risk Factors" in the Company's most recently filed Annual Information Form available on SEDAR at [www.sedar.com](http://www.sedar.com).

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 24, 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.

**For more information:**

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**Additional information on Centerra is available on the Company's web site at [www.centerragold.com](http://www.centerragold.com) and at SEDAR at [www.sedar.com](http://www.sedar.com).**

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