

centerra**GOLD**



NEWS RELEASE

Centerra Gold Receives Pastureland Permit for the Öksüt Project

All figures are in United States dollars unless otherwise stated.

Toronto, Canada, January 11, 2018: Centerra Gold Inc. (TSX: CG) (“Centerra” or the “Company”) announced today that its wholly-owned Turkish subsidiary, Öksüt Madencilik Sanayi ve Ticaret A.S. (“OMAS”) has received approval of its pastureland permit for the Öksüt Project located in central Turkey. OMAS has also received notice from the Kayseri Directorate of Food, Agriculture and Livestock (“Directorate”) for payment of the necessary “grass fee” (approximately US\$4 million) and a refundable deposit to the Directorate to commence the land delivery process which converts the pastureland to industrial usage land. It is expected that the land delivery process may take up to 45 days.

Scott Perry, Chief Executive Officer of Centerra stated, “Receiving our pastureland permit is a testament to the perseverance of OMAS’s staff and their efforts to complete the permitting process for the project. Öksüt is expected to be another of the Company’s low-cost operating sites, and the completion of the permitting process has now paved the way for the project’s future development.”

Construction of the Öksüt Project is subject to Board approval, which the Company expects to obtain in late February, at which time additional information will be provided regarding 2018 expenditures and timing.

Cautionary Note Regarding Forward-looking Information

Information contained in this news release and the documents referred to herein 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, performance, prospects and opportunities to differ materially from those expressed or implied by such forward looking information. The words “believe”, “expect”, “envision”, “target”, “intends”, “estimate”, “may”, “will”, and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things, the Company’s expectations to develop the Öksüt mine and the related timing for such development and construction.

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. There may be factors that cause results, assumptions, performance, achievements, prospects or opportunities in future periods not to be as anticipated, estimated or intended. These factors include: (A) changes in regulatory or legal procedures in Turkey with respect to the pastureland land delivery process; resource nationalism including the management of external stakeholder expectations; the impact of changes in, or to the more aggressive enforcement of, laws, regulations and government practices in Turkey; the impact of changes to, the increased enforcement of, environmental laws and regulations relating to the Company’s operations; 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; 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 prices, 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 OMAS's credit facility on OMAS's operations, 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, OMAS's ability to extend the deadlines in its credit facility; OMAS's ability to draw under and make payments including any payments of principal and interest on its credit facility depends on the cash flow of OMAS; and (C) risks related to operational matters, including the Company's ability to attract and retain qualified personnel; 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, potential delays in the issuance of permits; potential opposition to the Öksüt Project by local communities or civil groups related to concerns over water usage in competition with agriculture, water quality, environmental impact from cyanide use in gold leaching, visual impacts, acoustic impacts, ambient air impacts or failure of the company to agree to local demands; potential material increases in project development or operation costs due to increases in key consumables, inflation, imposed demands for infrastructure development or regulatory changes; the planning, design and costing of the key project infrastructure such as power, water and access. See also "Risks that can affect our business" in the Company's most recently filed Annual Information Form, available on SEDAR at 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 11, 2018. 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 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.

- end -