

centerra**GOLD**



NEWS RELEASE

Centerra Gold Announces US\$200 Million Sale of Royalty Portfolio and Kemess Silver Stream

TORONTO, CANADA – May 17, 2018 – Centerra Gold Inc. (“Centerra”) (TSX: CG) announced today that its wholly-owned subsidiary, AuRico Metals Inc. (“AMI”), has entered into agreements with Triple Flag Mining Finance Bermuda Ltd. (“Triple Flag”) in connection with the sale of AMI’s royalty portfolio (the “Royalty Sale”) and a silver stream on the Kemess project (the “Kemess Stream”) for combined aggregate proceeds of US\$200 million.

Scott Perry, President and CEO of Centerra commented, “The Royalty Sale and the Kemess Stream represents a compelling way for the Company to realize significant cash proceeds from non-core assets which will further enhance our strong balance sheet and assist in funding Centerra’s growth development pipeline.”

The Royalty Sale consists of the sale of AMI’s royalty portfolio, together with new 0.5%, 2.0% and 2.0% net smelter returns royalties on AMI’s Kliyul, Chuchi and Redton exploration properties, respectively, for up-front cash proceeds of US\$155 million, subject to customary adjustments, including an economic effective date of April 1, 2018. The Royalty Sale is expected to be completed during the second quarter of 2018 following the satisfaction of customary conditions to closing.

The Kemess Stream consists of the sale of 100% of the silver production from the Kemess project. Triple Flag will pay AMI cash consideration of US\$45 million as an advance payment, payable in tranches of US\$10 million, US\$10 million, US\$12.5 million and US\$12.5 million on the public announcement by Centerra that its board of directors has approved a construction decision with respect to the Kemess underground development project and the three succeeding anniversaries of such date, respectively. In addition, Triple Flag will make ongoing payments of 10% of the then current market price for each ounce of silver delivered.

Shaun Usmar, CEO of Triple Flag Mining Finance Ltd. commented, “The high-quality Centerra precious metals royalty portfolio is a perfect fit for Triple Flag’s substantial and growing portfolio of precious metal royalty and streaming assets. The Kemess silver stream also nicely complements our suite of growth assets. We look forward to our ongoing partnership with the Centerra team.”

Advisors and Counsel

Scotiabank acted as financial advisor to Centerra and Stikeman Elliott LLP acted as Centerra’s legal advisor. Torys LLP acted as Triple Flag’s advisor.

Cautionary Note Regarding Forward-Looking Information

This news release contains forward-looking information. Such forward-looking information involves numerous assumptions, risks, uncertainties and other factors that could cause actual events to differ materially from those expressed or implied by such forward-looking information. All information, other than statements of historical fact, is forward-looking information. In particular, forward-looking information in this news release includes, but is not limited to assumptions and expectations with respect to the completion of the Royalty Sale and the Kemess Stream, and the timing thereof. Forward-looking information is necessarily based upon a number of

estimates and assumptions that, while considered reasonable by us, are inherently subject to significant 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. Centerra disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws.

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 and is the largest Western-based gold producer in Central Asia. Centerra operates two flagship assets, the Kumtor Mine in the Kyrgyz Republic and the Mount Milligan Mine in British Columbia, Canada and is building its 100% owned Öksüt Gold Mine in Turkey. 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 its web site at www.centerragold.com and at SEDAR at www.sedar.com.

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