

centerra**GOLD**



NEWS RELEASE

Centerra Gold extends its existing US\$150 million Revolving Credit Facility with the European Bank for Reconstruction

TORONTO, CANADA – December 19, 2014 – Centerra Gold Inc. (TSX: CG) announced today it has extended its existing US\$150 million revolving credit facility (the "Facility") with the European Bank for Reconstruction and Development ("EBRD") until February 17, 2016, on the same terms as the existing facility, LIBOR plus 2.9%.

Ian Atkinson, President and CEO of Centerra commented, "We are very pleased to extend this facility with EBRD and to continue our partnership with them. While Centerra has a strong balance sheet and we generate significant operating cash flow, we feel it is important to have the added financial flexibility that a corporate revolving credit facility gives us."

Riccardo Puliti, Managing Director of Energy and Natural Resources at EBRD remarked, "We are pleased to continue working with Centerra and support its investments in EBRD countries of operations, including the Kyrgyz Republic. For close to 20 years EBRD has invested and supported the sustainable and transparent development of the mining sector in the Kyrgyz Republic by supporting EITI implementation and promoting private sector participation in the sector. EBRD recognizes Centerra's commitment to high environmental and safety standards, as well as to sustainable development in the local communities near the mine. We support the efforts that Centerra and the Government are making to co-operatively restructure the Kumtor Project in a manner that is fair to all shareholders, which will give a positive signal to investors and encourage further investments in the Kyrgyz Republic."

About Centerra

Centerra is a gold mining company focused on operating, developing, exploring and acquiring gold properties primarily in Asia, the former Soviet Union and other markets worldwide. Centerra is a leading North American-based gold producer 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 headquartered in Toronto, Ontario, Canada.

Cautionary Note Regarding Forward-looking Information

Information contained in this news release which is not a statement 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 "intends", "continue", "may", "will", and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things, Centerra's financial performance and the restructuring of the Kumtor Project.

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. Such factors include, among other things: the successful resolution of

matters in the Kyrgyz Republic to the benefit of all shareholders including matters relating to the State Commission report, government resolutions and decrees, discussions with the Kyrgyz Government on the Kumtor Project Agreements and a possible restructuring of the Kumtor project into a joint venture pursuant to the terms of the heads of agreement (HOA), the potential effects on the proposed restructuring of the Kumtor Project in accordance with the HOA of the legal proceedings involving Stans Energy Corp., the resolution of environmental claims in the Kyrgyz Republic, claims of the Kyrgyz Republic's General Prosecutor's Office purporting to invalidate Kumtor's land use certificate and to seize certain lands within the Kumtor concession areas and to unwind the \$200 million inter-company dividend declared and paid by KGC to Centerra in December 2013, and the draft Kyrgyz law on denunciation having no material impact on Kumtor operations; the Kyrgyz Parliament and Government not taking any unilateral actions that are inconsistent with the Kyrgyz Republic's obligations under the Kumtor Project Agreements and the Company's ability to obtain necessary operating and environmental permits, licenses and approvals; the political risks associated with Centerra's principal operations in the Kyrgyz Republic and Mongolia; the sensitivity of the Centerra's business to the volatility of gold prices; the future price of gold; the impact of changes in, or to the more aggressive enforcement of, laws, regulations and government practices in the jurisdictions in which Centerra operates; the Company's ability to manage the movement of the waste-rock dump at the Kumtor Project; the effect of the Water and Forest Law on Centerra's operations in Mongolia; ground movements at the Kumtor Project; waste and ice movement at the Kumtor Project and the Company's ability to manage such movements, including the effectiveness of the buttress constructed at the bottom of the Davidov Glacier; the estimation of mineral reserves and resources, the realization of mineral reserve estimates; the success of Centerra's future exploration and development activities, including the financial and political risks inherent in carrying out exploration activities; competition for mineral acquisition opportunities, and such other factors as described under the heading "Risk Factors" in Centerra'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 December 19, 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.

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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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