

centerra**GOLD**



NEWS RELEASE

Centerra Gold Announces Quarterly Dividend of Cdn\$0.04 per share

Toronto, Canada, July 29, 2014: Centerra Gold Inc. (TSX: CG) announced today its Board of Directors has authorized a dividend of Cdn\$0.04 per common share (total dividend approximately US\$8.7 million at the current exchange rate). The dividend of Cdn\$0.04 per common share is payable on August 28, 2014 to shareholders of record on August 14, 2014. The ex-dividend date will be August 12, 2014.

The dividend is an eligible dividend for Canadian income tax purposes.

In accordance with Centerra's dividend policy, the timing and quantum of dividends are to be determined by the Board of Directors from time to time based on, among other things, the Company's operating results, cash flow and financial conditions, Centerra's current and anticipated capital requirements, and general business conditions. While Centerra currently intends to pay quarterly dividends to its shareholders, there can be no assurances in this regard.

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 include, but are not limited to, statements with respect to Centerra's intentions to continue paying quarterly dividends.

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, the resolution of environmental claims for the aggregate amount of approximately \$476 million, the possible effect of the proposed Glacier Law on mining or other operations at the Kumtor project, claims of the Kyrgyz Republic's General Prosecutor's Office purporting 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; 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 July 29, 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.

For more information:

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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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