

**NEWS RELEASE****Centerra Gold 2015 Third Quarter Results**

This news release contains forward-looking information that is subject to the risk factors and assumptions set out on page 29 and in the Cautionary Note Regarding Forward-looking Information on page 34. It should be read in conjunction with the Company's unaudited interim condensed consolidated financial statements and notes for the three and nine months ended September 30, 2015 and associated Management's Discussion and Analysis. The condensed consolidated interim financial statements of Centerra are prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board. All figures are in United States dollars unless otherwise stated.

To view Management's Discussion and Analysis and the Unaudited Interim Condensed Consolidated Financial Statements and Notes for the three and nine months ended September 30, 2015, please visit the following link:
<http://media3.marketwire.com/docs/cg1027mdafs.pdf>

Toronto, Canada, October 27, 2015: Centerra Gold Inc. (TSX: CG) today reported a net loss of \$18.1 million or \$0.08 per common share (basic) in the third quarter of 2015, compared to a net loss of \$3.2 million or \$0.01 per common share (basic) for the same period in 2014. The 2015 loss was the result of a non-cash impairment charge of \$18.7 million (\$0.08 per share) of the goodwill in the Kyrgyz reporting segment. Additionally, the third quarter of 2015 reflects lower operating costs and lower taxes, partially offset by fewer ounces sold and lower average realized gold price¹, in the quarter.

For the first nine months of 2015, the Company recorded net earnings of \$44.5 million or \$0.19 per common share (basic), compared to a net loss of \$32.8 million or \$0.14 per common share (basic) in the comparative period of 2014, reflecting a 28% increase in gold ounces sold and lower operating costs year-to-date and a non-cash impairment charge of \$18.7 million (\$0.08 per share).

2015 Third Quarter Highlights

- Announced positive feasibility study results and the planned development of the Company's 100% owned Öksüt Gold Project, subject to final approval of the Turkish environmental impact assessment (EIA) and receipt of all required permits.
- Lowered all-in sustaining cost¹ guidance for the year to \$827 to \$875 per ounce sold reflecting lower diesel fuel prices and favourable exchange rates for local currencies at Kumtor.
- Produced 107,485 ounces of gold in the third quarter, which includes 103,701 ounces at Kumtor and 3,784 ounces at Boroo, and 403,256 ounces of gold year-to-date.
- All-in sustaining costs per ounce sold¹ of \$1,089 for the third quarter and \$881 year-to-date, which excludes revenue-based tax in the Kyrgyz Republic and income taxes.
- Cash provided by operations in the third quarter totaled \$41.1 million.
- Kumtor received approval from the Kyrgyz State Agency for Environmental Protection and Forestry of its 2015 annual mine plan.
- Following the quarter-end, announced the appointment of Scott Perry as CEO, effective November 1, 2015, to replace Ian Atkinson who is retiring and the appointment of Frank Herbert as President.

¹ Non-GAAP measure, see discussion under "Non-GAAP Measures".

Centerra's cash, cash equivalents and short-term investments at the end of the third quarter of 2015 decreased to \$537.4 million after investing \$69.1 million in its properties, making a \$8.3 million payment to the Greenstone Gold Mines LP (the "Greenstone Partnership") and paying \$7.2 million in dividends in the quarter compared to \$562.0 million at December 31, 2014. As at September 30, 2015, the Company had drawn \$76 million on its \$150 million revolving credit facility with the European Bank for Reconstruction and Development (EBRD), leaving a balance of \$74 million undrawn. The amount drawn is due to be repaid in February 2016. Centerra believes, based on its current forecast, that it has sufficient cash and short-term investments to carry out its business plan in 2015 (see "2015 Outlook").

Commentary

Ian Atkinson, President and CEO of Centerra Gold stated, "Kumtor again performed well during the quarter producing 103,701 ounces of gold and mining accessed the upper parts of the SB Zone as expected. We are on track to meet our production guidance and have lowered our all-in sustaining¹ and all-in cost¹ guidance reflecting lower diesel fuel prices, favourable exchange rates and overall better operating performance at Kumtor. Financially, the Company is in good shape with cash, cash equivalents and short-term investments of \$537 million or \$461 million, net of debt, at September 30, 2015. During the third quarter cash provided by operations was \$41.3 million."

"At the Öksüt Project in Turkey, we announced the development decision for the project, subject to final approval of the Turkish EIA and receipt of all required permits. The EIA process continues with formal approval from the Turkish regulatory authorities expected in the fourth quarter 2015, which will allow us to apply for all required permits. We expect to begin development of the Öksüt Project in the first quarter of 2016 with first gold production anticipated in the second quarter of 2017. Drilling at Öksüt in the quarter extended the Guneytepe deposit to the north and identified additional oxide gold mineralization which is expected to add to the existing resource estimate and drilling on the Keltepe NW prospect identified oxide mineralization which suggests the potential of additional oxide gold resources to complement the Keltepe and Guneytepe resources."

"In Mongolia, we continued our discussions with the Government regarding Gatsuurt and have agreed to a 3% special royalty in place of the Government acquiring a 34% ownership interest in Gatsuurt. It is our understanding that the Government has recently submitted a revised proposal regarding its ownership interest in the Gatsuurt Project to Parliament for review."

"At the Greenstone Gold Property, an updated resource calculation was completed during the quarter. As a result Centerra contributed to the partnership an additional C\$11 million (\$8.3 million) based on the results."

"In the Kyrgyz Republic, on September 21, 2015, Kumtor received approval of its 2015 annual mine plan from the State Agency for Environmental Protection and Forestry. We have now received all approvals for the 2015 annual mine plan from the relevant Kyrgyz Republic agencies. On October 4, 2015, the country successfully held its parliamentary elections and we await the formation of the new government, which we will work with toward a resolution of all outstanding matters affecting the Kumtor Project. As we have stated previously any proposed resolution would need to be fair to all shareholders of Centerra," Mr. Atkinson concluded.

¹ Non-GAAP measure, see discussion under "Non-GAAP Measures".

Recent Developments

The following is a summary of recent events affecting the Company. For further information, see “Other Corporate Developments”.

Kumtor Operations

- The Company continues to be in discussions with the Government of the Kyrgyz Republic relating to the possible restructuring of the Kumtor project. As previously disclosed, the Kyrgyz Republic Parliament passed a resolution on June 29, 2015 to ensure the continued operation of the Kumtor mine and to carry out an examination of the updated Kumtor life-of-mine plan, presented in the Kumtor Technical Report dated March 20, 2015, and its impact on the Kyrgyz Republic.
- On September 21, 2015, Kumtor received approval from the State Agency for Environmental Protection and Forestry to continue to mine ore according to the 2015 annual mine plan.

Mongolian Operations

- The Company continued to engage in discussions with the Mongolian Government regarding the development of the Gatsuurt Project and in mid-October agreed with the Government to a 3% special royalty in place of the Government acquiring a 34% ownership interest in the project. The Company understands that the Government has recently submitted a revised proposal regarding its ownership interest in the Gatsuurt Project to Parliament for review. Further development of the Gatsuurt Project is subject to, among other things, receiving Parliamentary approval of the Mongolian state interest in the project as well as all required approvals and regulatory commissioning from the Mongolian Government.

Öksüt Project

- The Company announced on July 28, 2015 the positive feasibility study results and the planned development of the 100%-owned Öksüt Project, followed by the filing of a Technical Report on September 3, 2015. The report details include an eight year mine life, production of 895,000 ounces of gold with an all-in cash cost (including taxes) of \$777 per ounce sold¹. The Technical Report is available on SEDAR and on the Company’s website.
- The environmental impact assessment (EIA) process for the Öksüt Project continues on schedule with formal EIA approval from Turkish regulatory authorities expected in the fourth quarter 2015. Receipt of permits is contingent on the approval of the EIA and applications for all required permits will follow immediately upon approval of the EIA.

Greenstone Gold Property

- As contemplated by the implementation agreement between Centerra and Premier Gold Mines Limited (“Premier”) regarding the Greenstone Gold Property, an updated resource calculation was completed during the third quarter of 2015 and based on these results, the Company paid to the partnership an amount of C\$11 million (\$8.3 million). The contribution was subsequently distributed to Premier as a capital distribution from the partnership.

Corporate

- The Company announced on October 13, 2015 that Scott Perry will be appointed as Chief Executive Officer (CEO), effective November 1, 2015, and will replace Ian Atkinson who, as previously announced, is retiring by year-end. Additionally, Centerra announced the appointment of Mr. Frank Herbert as President.

¹ Non-GAAP measure, see discussion under “Non-GAAP Measures”.

- On September 8, 2015, the original court order issued in February 2015 in the proceedings commenced by Valerie Belokon (“Belokon”) against the Kyrgyz Republic and Kyrgyzaltyn was amended. The effect of the amendment was to limit the security being set aside for the Belokon proceeding. The number of restricted Centerra shares was amended to 3,787,879 shares (formerly 6,500,240 shares), and the amount of dividends to be held in trust for the Belokon proceeding was capped at C\$10 million. Amounts held in trust in excess of C\$10 million were released to Kyrgyzaltyn in September 2015.
- On October 7, 2015, the Kyrgyz Republic’s request to extradite Mr. Len Homeniuk from Bulgaria to the Kyrgyz Republic was denied. Mr. Homeniuk was Centerra’s President and CEO from 2004 until his retirement in June 2008. Mr. Homeniuk has now returned home to the United States.
- On October 15, 2015, Centerra received an Ontario court order in favour of Entes Industrial Plants Construction & Erection Contracting Co. Inc. (“Entes”) which has an arbitral award against the Kyrgyz Republic for \$22.7 million. The injunction (i) prohibits Kyrgyzaltyn from, among other things, selling or transferring 7,465,776 shares of Centerra held by it; and (ii) requires Centerra to pay any dividends declared on Centerra shares held by Kyrgyzaltyn into trust for the benefit of the Entes enforcement application. The order does not set a cap on the amount of dividends to be held in trust.

Consolidated Financial and Operating Summary

<i>Unaudited (\$ millions, except as noted)</i>	Three months ended September 30,⁽⁷⁾			Nine months ended September 30,⁽⁷⁾		
Financial Highlights	2015	2014	% Change	2015	2014	% Change
Revenue	\$ 116.2	\$ 135.8	(14%)	\$ 475.6	\$ 403.3	18%
Cost of sales	76.1	100.7	(24%)	271.1	319.1	(15%)
Standby costs	1.0	-	100%	4.8	0.2	2300%
Regional office administration	4.1	5.8	(29%)	14.4	17.6	(18%)
Earnings from mine operations	35.0	29.3	19%	185.3	66.4	179%
Revenue-based taxes	15.9	16.4	(3%)	64.4	48.8	32%
Other operating expenses	0.4	1.5	(73%)	1.1	4.4	(75%)
Pre-development project costs	3.3	1.5	120%	11.5	3.6	219%
Impairment of goodwill	18.7	-	100%	18.7	-	100%
Exploration and business development ⁽¹⁾	3.1	5.0	(38%)	8.0	11.6	(31%)
Corporate administration	8.0	5.9	36%	28.1	24.2	16%
Earnings (Loss) from operations	(14.4)	(1.0)	1340%	53.5	(26.2)	(304%)
Other (income) and expenses	2.3	(1.6)	(244%)	4.9	(1.1)	(545%)
Finance costs	1.1	1.2	(8%)	3.3	3.8	(13%)
Earnings (Loss) before income taxes	(17.8)	(0.6)	2867%	45.3	(29.0)	(256%)
Income tax expense	0.3	2.6	(88%)	0.8	3.8	(79%)
Net earnings (loss)	(18.1)	(3.2)	466%	44.5	(32.8)	(236%)
Earnings (loss) per common share - \$ basic ⁽²⁾	\$ (0.08)	\$ (0.01)	700%	\$ 0.19	\$ (0.14)	(236%)
Earnings (loss) per common share - \$ diluted ⁽²⁾	\$ (0.08)	\$ (0.02)	300%	\$ 0.19	\$ (0.14)	(236%)
Cash provided by operations	41.1	(14.0)	(394%)	286.0	159.4	79%
Average gold spot price - \$/oz ⁽³⁾	1,124	1,282	(12%)	1,178	1,288	(9%)
Average realized gold price - \$/oz ⁽⁴⁾	1,123	1,265	(11%)	1,184	1,281	(8%)
Capital expenditures ⁽⁵⁾	94.7	83.1	14%	336.8	293.5	15%
Operating Highlights						
Gold produced – ounces	107,485	110,792	(3%)	403,256	319,585	26%
Gold sold – ounces	103,467	107,367	(4%)	401,778	314,864	28%
Operating costs (on a sales basis) ⁽⁶⁾	35.3	56.2	(37%)	114.8	147.1	(22%)
Adjusted operating costs ⁽⁴⁾	40.6	63.4	(36%)	135.1	169.0	(20%)
All-in Sustaining Costs ⁽⁴⁾	112.7	122.3	(8%)	353.8	392.4	(10%)
All-in Costs ⁽⁴⁾	125.8	144.4	(13%)	396.7	437.1	(9%)
All-in Costs - including taxes ⁽⁴⁾	141.7	164.0	(14%)	461.3	489.2	(6%)
Unit Costs						
Cost of sales - \$/oz sold ⁽⁴⁾	736	938	(22%)	675	1,013	(33%)
Adjusted operating costs - \$/oz sold ⁽⁴⁾	393	590	(33%)	336	537	(37%)
All-in sustaining costs – \$/oz sold ⁽⁴⁾	1,089	1,139	(4%)	881	1,246	(29%)
All-in costs – \$/oz sold ⁽⁴⁾	1,216	1,344	(9%)	987	1,388	(29%)
All-in costs (including taxes) – \$/oz sold ⁽⁴⁾	1,370	1,527	(10%)	1,148	1,554	(26%)

- (1) Includes business development of \$nil and \$1.9 million for the three and nine months ended September 30, 2015, respectively (\$0.2 million and \$0.3 million for the three and nine months ended September 30, 2014, respectively).
- (2) As at September 30, 2015, the Company had 236,570,443 common shares issued and outstanding.
- (3) Average for the period as reported by the London Bullion Market Association (US dollar Gold P.M. Fix Rate).
- (4) Adjusted operating costs, all-in sustaining costs, all-in costs and all-in costs - including taxes (\$ millions and per ounce sold) as well as average realized gold price per ounce and cost of sales per ounce sold are non-GAAP measures and are discussed under “Non-GAAP Measures”.
- (5) Includes capitalized stripping of \$64.9 million and \$198.4 million in the three and nine months ended September 30, 2015, respectively (\$53.5 million and \$228.5 million in the three months and nine months ended September 30, 2014, respectively).
- (6) Operating costs (on a sales basis) are comprised of mine operating costs such as mining, processing, regional office administration, royalties and production taxes (except at Kumtor where revenue-based taxes are excluded), but excludes reclamation costs and depreciation, depletion and amortization. Operating costs (on a sales basis) represents the cash component of cost of sales associated with the ounces sold in the period.
- (7) Results may not add due to rounding.

Third Quarter 2015 compared to Third Quarter 2014

- Gold production for the third quarter of 2015 totaled 107,485 ounces compared to 110,792 ounces in the comparative quarter of 2014. The decrease in ounces reflects lower production at Boroo as a result of the cessation of milling operations in December 2014. Kumtor's production was 9% higher in the third quarter of 2015 compared to the same quarter of 2014 due to higher mill throughput and recoveries, partially offset by lower grades.
- All-in sustaining costs per ounce sold¹, which excludes revenue-based tax and income tax, for the third quarter decreased to \$1,089 from \$1,139 in the comparative period of 2014. The decrease in the third quarter of 2015 results primarily from lower operating costs.
- All-in costs per ounce sold¹, which excludes revenue-based tax and income tax, were \$1,216 compared to \$1,344 in the comparative quarter of 2014. All-in costs per ounce sold¹ include all cash costs related to gold production, excluding revenue-based tax and income tax. The decrease reflects the lower operating costs, lower spending on growth capital¹ at Kumtor and lower exploration costs, partially offset by additional spending in the third quarter of 2015 for pre-development activities at the Greenstone Gold Property.
- Goodwill for the Kyrgyz reporting segment was impaired by \$18.7 million as a result of the annual goodwill impairment test carried out at September 1, 2015, based on the current Kumtor life of mine plan. As a result there is no goodwill remaining. The test assumptions were updated from the last evaluation carried out at December 31, 2014. The test result was heavily impacted by lower gold prices, as spot gold prices continued to decrease in the first eight months of 2015, and by a higher discount rate which reflected increased country risk. This was partially offset by lower operating costs mainly from lower diesel prices and favourable currency movements.
- Revenue in the third quarter of 2015 decreased 14% to \$116.2 million, as a result of 4% less ounces sold (103,467 ounces in the third quarter of 2015 compared to 107,367 ounces in the third quarter of 2014) and an 11% lower average realized gold price¹ (\$1,123 per ounce compared to \$1,265 per ounce in the same quarter of 2014).
- In the third quarter of 2015, ounces sold decreased 4% compared to the third quarter of 2014 but cost of sales decreased by 24% to \$76.1 million compared to the same period of 2014. This reflected the lower costs in both the stockpiled ore and in the ore mined and processed at Kumtor from cut-back 16 in the third quarter of 2015. In particular, the cost of sales in the third quarter of 2015 benefited from cut-back 16 containing more ounces and from lower operating costs (for diesel, labour and other consumables) and reduced waste stripping as compared to cut-back 15 ore that was processed in the third quarter of 2014. Depreciation, depletion and amortization ("DD&A") associated with production was \$40.8 million in the third quarter of 2015 as compared to \$44.5 million in the same quarter of 2014, reflecting lower capitalized stripping charges per ounce from cut-back 16 ore, partially offset by the increased ounces sold in 2015.
- Operating costs (on a sales basis) decreased to \$35.3 million in the third quarter of 2015 from \$56.2 million in the same period of 2014. The decrease was due to processing lower cost ounces at Kumtor which reflects a reduction in costs for diesel, labour and other consumables as well as favourable movements in the local currency as compared to the same period of 2014. Operating costs at Boroo were lower in the third quarter of 2015 as compared to the same period in 2014 as milling activities ceased in late 2014. Site support costs at Boroo in the third quarter of 2015 were lower reflecting reduced personnel levels.

¹ Non-GAAP measure, see discussion under "Non-GAAP Measures".

- During the third quarter of 2015 Boroo incurred standby costs to maintain the mill and operation on care and maintenance of approximately \$1.0 million which included spending mainly on labour to maintain equipment in a ready state, as well as fixed costs for administration.
- In the third quarter of 2015, pre-development projects costs increased by \$1.8 million to \$3.3 million compared to the same quarter in 2014. The increase in the third quarter of 2015 represents higher spending at the Company's Greenstone Gold Property, partially offset by lower expensed costs at the Öksüt Project as capitalization of project costs commenced on August 1, 2015 with the board decision to move to development.
- Exploration expenditures in the third quarter of 2015 totaled \$3.1 million compared to \$4.8 million in the same period of 2014. The decrease in the third quarter of 2015 reflects reduced spending on the Company's projects in Turkey and Mongolia.
- Other expenses of \$2.3 million were incurred in the third quarter of 2015, including a \$1.7 million write-off of infrastructure at Kumtor which was not relocated after the waste rock dump movement and the impact of exchange movements. Other income of \$1.6 million was recorded in third quarter of 2014, representing proceeds from an insurance claim at Kumtor.
- Corporate administration costs increased to \$8.0 million in the third quarter of 2015 from \$5.9 million in the same period of 2014, due mainly to an increase in share-based compensation, partially offset by the impact of currency movements. The Company's share price increased by 6% during the third quarter of 2015 as compared to a decrease in share price of 25% during the same quarter of 2014. Share-based compensation was a charge of \$2.3 million in the third quarter of 2015 compared to a credit of \$0.2 million in the same period of 2014.
- Cash provided by operations increased by \$55.1 million in the third quarter of 2015 to \$41.1 million mainly as a result of lower working capital levels and lower operating costs.
- Total capital expenditures in the third quarter of 2015 were \$94.7 million, which included sustaining capital¹ of \$14.8 million, growth capital¹ of \$1.9 million, \$1.8 million of Öksüt Project development costs, \$3.0 million of Greenstone Gold Property development costs, \$8.3 million of Greenstone Partnership acquisition costs and \$64.9 million of capitalized stripping costs (\$49.1 million cash). Capital expenditures in the same quarter of 2014 were \$83.1 million, which included \$14.2 million for sustaining capital¹ and \$15.4 million for growth capital¹ and capitalized stripping of \$53.5 million (\$38.5 million cash). The higher capital expenditures in the third quarter of 2015 resulted mainly from higher capitalized stripping, spending on development projects and lower growth capital¹ spent at Kumtor.

First Nine Months 2015 compared to First Nine Months 2014

- Gold production for the first nine months of 2015 totaled 403,256 ounces compared to 319,585 ounces in the comparative period of 2014. The increase in production is primarily due to higher mill grades and higher recoveries at Kumtor.
- All-in sustaining costs per ounce sold¹, which excludes revenue-based tax and income tax, for the first nine months of 2015, was \$881 compared to \$1,246 in the same period of 2014. The decrease in the first nine months of 2015 reflects 29% more ounces sold, lower operating costs in 2015 mainly for diesel, labour and consumables and lower costs for capitalized stripping, partially offset by higher spending on sustaining capital¹ as compared to the first nine months of 2014.
- All-in costs per ounce sold¹, which excludes revenue-based tax and income tax, for the first nine months of 2015, were \$987, compared to \$1,388 per ounce sold in the first nine months of 2014. The decrease reflects the additional ounces sold, the lower costs (described above), lower exploration costs

¹ Non-GAAP measure, see discussion under "Non-GAAP Measures".

and lower spending for growth capital¹ at Kumtor. These costs were partially offset by higher spending on pre-development activities at the Greenstone Gold Property and at the Öksüt Project in the first nine months of 2015.

- In connection with the annual goodwill impairment test carried out at September 1, 2015, the goodwill for the Kyrgyz reporting segment was impaired by \$18.7 million. As a result, there is no goodwill remaining. The impairment reflects lower gold prices, as spot gold prices continued to decrease in the first eight months of 2015, and a higher discount rate. This was partially offset by lower operating costs mainly from lower diesel prices and favourable currency movements.
- Revenue in the first nine months of 2015 increased 18% to \$475.6 million, as a result of 28% more ounces sold (401,778 ounces compared to 314,864 ounces in the first nine months of 2014) partially offset by an 8% lower average realized gold price¹ (\$1,184 per ounce compared to \$1,281 per ounce in the same period of 2014).
- In the first nine months of 2015, cost of sales decreased by 15% to \$271.1 million due primarily to lower operating costs and lower DD&A associated with the cut-back 16 ore processed and sold. The cost of sales in the first nine months of 2015 benefited from cut-back 16 containing more ounces and lower operating costs (for diesel, labour and other consumables) and reduced waste stripping as compared to cut-back 15 ore that was processed in the first nine months of 2014. DD&A associated with production decreased to \$156.3 million in the first nine months of 2015 from \$172.0 million in the comparative period of 2014, reflecting lower capitalized stripping charges per ounce from cut-back 16 ore, partially offset by the increased ounces sold in 2015.
- Operating costs (on a sales basis)¹ decreased by \$32.3 million to \$114.8 million in the first nine months of 2015 compared to the same period in 2014, mainly as a result of lower operating costs for fuel, labour and consumables, as well as favourable exchange rate movements in the Kyrgyz Som. This was partially offset by higher ounces sold in the first nine months of 2015.
- During the first nine months of 2015 Boroo incurred standby costs totaling \$4.8 million to place and maintain the mill and operation on care and maintenance which included spending mainly on labour to clean the circuits and maintain equipment in a ready state, as well as fixed costs for administration. There was \$0.2 million of standby costs incurred in the same period of 2014.
- In the first nine months of 2015, pre-development projects costs increased by \$7.9 million to \$11.5 million compared to the same period in 2014. The increase represents spending at the Greenstone Gold Property and higher spending at the Company's Öksüt Project.
- Exploration expenditures in the first nine months totalled \$6.1 million compared to \$11.3 million in the same period of 2014. The decrease in the first nine months of 2015 reflects reduced spending on the Company's projects in Turkey and Mongolia and the closure of the regional office in China.
- Business development spending in the first nine months of 2015 totaled \$1.9 million, representing consulting and legal charges in connection with the Company's acquisition of its 50% interest in Greenstone Partnership. There was minimal spending on business development activities in the same period of 2014.
- Corporate administration costs increased to \$28.1 million from \$24.2 million in the first nine months of 2014 due primarily to higher legal and consulting costs related to on-going negotiations with the Kyrgyz and Mongolian governments and higher share-based compensation resulting from the appreciation in the value of the underlying share-based awards to employees. The share-based compensation charge in the first nine months of 2015 was \$9.7 million, compared to \$6.6 million in the same period in 2014.
- Cash provided by operating activities increased by \$126.8 million to \$286.0 million in the first nine months of 2015 compared to \$159.4 million in the same period of 2014. The increase mainly reflects the higher earnings in 2015 and lower working capital levels.

- Total capital expenditures in the first nine months of 2015 were \$336.9 million, which included sustaining capital¹ of \$39.4 million, growth capital¹ of \$12.8 million, \$1.8 million of Öksüt Project development costs, Greenstone Gold development costs of \$8.8 million, \$75.7 million of Greenstone Gold Property acquisition costs, and \$198.4 million of capitalized stripping costs (\$150.3 million cash) at Kumtor. Capital expenditures in the same period of 2014 were \$293.5 million, which included \$35.8 million for sustaining capital¹ and \$29.2 million for growth capital¹ and capitalized stripping of \$228.5 million (\$162.4 million cash). Total capital expenditures were 15% higher for the first nine months of 2015 as a result of the Greenstone Gold Property acquisition costs and higher sustaining capital¹ (an increase of 10%) partially offset by lower growth capital¹ (a decrease of 56%) and lower capitalized stripping at Kumtor (a decrease of 13%).

¹ Non-GAAP measure, see discussion under “Non-GAAP Measures”.

Third Quarter Operations Update

Kumtor Mine

Kumtor Operating Results	Three months ended September 30 ³ ,			Nine months ended September 30 ³ ,		
	2015	2014	% Change	2015	2014	% Change
<i>Unaudited (\$ millions, except as noted)</i>						
Revenue	113.5	117.0	(3%)	460.1	348.4	32%
Cost of sales-cash	33.5	43.8	(24%)	104.2	111.4	(6%)
Cost of sales-non-cash	39.3	41.1	(4%)	151.6	161.5	(6%)
Cost of sales-total	72.8	84.9	(14%)	255.8	272.9	(6%)
Cost of sales - \$/oz sold ⁽¹⁾	721	916	(21%)	658	1,002	(34%)
Tonnes mined - 000s	41,944	48,649	(14%)	124,109	148,938	(17%)
Tonnes ore mined - 000s	1,136	1,422	(20%)	2,642	2,025	30%
Average mining grade - g/t	1.80	3.49	(48%)	2.54	2.87	(11%)
Tonnes milled - 000s	1,496	1,426	5%	4,225	4,338	(3%)
Average mill head grade - g/t	2.83	3.05	(7%)	3.63	2.68	35%
Recovery - %	75.7%	72.7%	4%	78.4%	74.0%	6%
Mining costs - total (\$/t mined material)	1.25	1.34	(7%)	1.28	1.30	(2%)
Milling costs (\$/t milled material)	11.10	13.00	(15%)	11.60	11.95	(3%)
Gold produced – ounces	103,701	95,265	9%	390,084	276,058	41%
Gold sold – ounces	100,994	92,645	9%	388,968	272,303	43%
Average realized gold price - \$/oz ⁽¹⁾	1,124	1,263	(11%)	1,183	1,279	(8%)
Capital expenditures (sustaining) ⁽¹⁾	14.4	14.2	1%	38.6	35.3	9%
Capital expenditures (growth) ⁽¹⁾	1.4	15.2	(91%)	11.8	28.6	(59%)
Capital expenditures (stripping) ⁽¹⁾	64.9	53.5	21%	198.4	228.5	(13%)
Capital expenditures (total)	80.7	82.9	(3%)	248.8	292.4	(15%)
Operating costs (on a sales basis) ⁽²⁾	33.5	43.8	(24%)	104.2	111.4	(6%)
Adjusted operating costs ⁽¹⁾	37.3	49.8	(25%)	118.1	129.5	(9%)
All-in Sustaining Costs ⁽¹⁾	101.0	102.7	(2%)	307.7	328.1	(6%)
All-in Costs ⁽¹⁾	102.4	117.9	(13%)	319.5	356.6	(10%)
All-in Costs - including taxes ⁽¹⁾	118.3	134.3	(12%)	383.9	405.4	(5%)
Adjusted operating costs - \$/oz sold ⁽¹⁾	369	539	(32%)	304	476	(36%)
All-in sustaining costs – \$/oz sold ⁽¹⁾	1,000	1,110	(10%)	791	1,205	(34%)
All-in costs – \$/oz sold ⁽¹⁾	1,014	1,274	(20%)	821	1,310	(37%)
All-in costs (including taxes) – \$/oz sold ⁽¹⁾	1,171	1,451	(19%)	987	1,489	(34%)

- (1) Adjusted operating costs, all-in sustaining costs, all-in costs and all-in costs – including taxes (in \$ millions and per ounce sold), as well as average realized gold price per ounce sold, cost of sales per ounce sold and capital expenditures (sustaining and growth) are non-GAAP measures and are discussed under “Non-GAAP Measures”.
- (2) Operating costs (on a sales basis) is comprised of mine operating costs such as mining, processing, regional office administration, royalties and production taxes (except at Kumtor where revenue-based taxes are excluded), but excludes reclamation costs and depreciation, depletion and amortization.
- (3) Results may not add due to rounding.

At the Kumtor mine in the Kyrgyz Republic, mining activities in the third quarter of 2015 continued to focus on waste stripping from cut-back 17, while the mill primarily processed ore from stockpiles. Total waste rock and ore mined during the third quarter of 2015 was 41.9 million tonnes compared to 48.7 million tonnes in the comparative period of 2014, representing a decrease of 14%, primarily due to a 6% increase in average haulage distance when compared to the same period of 2014. Other factors impacting mining included a decrease in haul truck availability of 5% and the impact of unusually warm and wet weather conditions that

resulted in lost production hours during the third quarter of 2015. During the third quarter of 2015, Kumtor mined 1.1 million tonnes of ore at an average grade of 1.80 g/t, compared to 1.4 million tonnes of ore mined at an average grade of 3.49 g/t in the third quarter of 2014.

Gold production for the third quarter of 2015 was 103,701 ounces of gold compared to 95,265 ounces of gold in the comparative period of 2014. During the third quarter of 2015, Kumtor's average mill head grade was 2.83 g/t with a recovery of 75.7%, compared to 3.05 g/t and a recovery of 72.7% for the same period of 2014. Approximately 1.5 million tonnes were processed in the third quarter of 2015, 5% higher than the comparative period of 2014 due to higher mill availability and higher hourly throughput.

Operating costs (on a sales basis), excluding capitalized stripping decreased 24% to \$33.5 million in the third quarter of 2015 from \$43.8 million in the same period of 2014. The decrease was due to processing lower cost ounces at Kumtor that was driven by a reduction in cost for diesel, labour and other consumables as well as favourable movements in exchange rates as compared to the same period of 2014.

Mining costs, including capitalized stripping costs, totaled \$52.3 million for the third quarter of 2015, which was \$12.9 million less than the comparative quarter of 2014. Decreased costs for the period include lower diesel costs of (\$10.3 million) due to lower global fuel prices (on average 51.6 cents per liter compared to 71.0 cents per liter), blasting costs (\$2.0 million) due to lower blasted tonnages and the implementation of an improved wider drill pattern on waste material, lower labour costs (\$1.5 million) due to favourable exchange movement on local salaries and lubes costs (\$0.9 million) due to improved oil analysis processes. The lower costs were partially offset by increased maintenance costs (\$0.5 million) mainly attributable to haulage trucks.

Milling costs totaled \$16.7 million in the third quarter of 2015 compared to \$18.5 million in the same period of 2014. Milling costs in the third quarter of 2015 were lower than the comparative period, mainly due to the timing of mill liner replacements (\$0.7 million), lower cyanide costs (\$0.6 million), lower maintenance costs (\$0.6 million), lower grinding balls costs (\$0.4 million) mainly due to lower global steel costs and lower carbon costs (\$0.4 million) due to processing consistent ore types allowing a lower consumption rate per tonne. This was partially offset, by higher electricity costs (\$0.5 million).

Site support costs were \$11.5 million in the third quarter of 2015 compared to \$13.9 million in the same period of 2014. Site support costs decreased primarily due to lower labour costs (\$1.1 million) resulting from a favourable exchange movement on local salaries and reduced employee support staff and decreased insurance premiums (\$0.4 million).

DD&A associated with sales decreased to \$39.3 million in the third quarter of 2015 from \$41.1 million in the comparative period of 2014. The comparative period reflects a higher depreciation charge for the ounces poured and sold as more waste material was stripped and fewer ounces mined from cut-back 15 compared to cut-back 16 that was processed and sold during the third quarter of 2015.

All-in sustaining costs per ounce sold¹, which excludes revenue-based tax, for the third quarter of 2015 decreased 10% to \$1,000 compared to \$1,110 in the comparative period of 2014. The decrease results primarily from more ounces sold and lower operating costs, partially offset by higher capitalized stripping costs in the third quarter of 2015 as ore in cut-back 17 was exposed late in the quarter.

¹ Non-GAAP measure, see discussion under "Non-GAAP Measures".

All-in costs per ounce sold¹, which excludes revenue-based tax, for the third quarter of 2015 was \$1,014 compared to \$1,274 in the comparative period of 2014, representing a decrease of 20%. The decrease is mainly due to the factors described above and a further reduction in growth capital¹ spending for the infrastructure relocation at Kumtor as the Company incurred significant expenditures during the comparative period for the new camp facilities which were substantially completed by the end of June 2015.

Capital expenditures in the third quarter of 2015 totaled \$80.7 million which includes \$14.4 million of sustaining capital¹ mainly on equipment rebuilds and overhauls, \$1.4 million invested in growth capital¹ and \$64.9 million for capitalized stripping (\$49.1 million cash). Capital expenditures in the comparative quarter of 2014 totaled \$82.9 million, consisting of \$14.2 million for sustaining capital¹, \$15.2 million for growth capital¹ and \$53.5 million of capitalized stripping (\$38.5 million cash).

Mongolia (Boroo/Gatsuurt)

At the Boroo mine, located in Mongolia, gold production in the third quarter of 2015 was 3,784 ounces compared to 15,527 ounces of gold in the same period of 2014. The lower gold production in the third quarter of 2015 reflects the fact that no mill processing activities occurred during this period. In addition, fewer ounces were poured from the heap leach operation as a result of transitioning to secondary leaching beginning in August 2014, while a portion of the comparative quarter of 2014 benefited from primary leaching. The Company anticipates secondary leaching activities at Boroo to be completed by the end of 2015 and intends to keep the mill on standby awaiting the start-up of the Gatsuurt Project. See “Other Corporate Developments – Mongolia”.

Operating costs (on a sales basis) decreased by \$10.6 million to \$1.8 million in the third quarter of 2015, as a result of lower activity at the project. Operating costs at Boroo were lower by 86% in the third quarter of 2015 as compared to the same period in 2014 as milling activities ceased in late 2014.

All-in sustaining costs per ounce sold¹ and all-in costs per ounce sold¹ which excludes income tax, increased in the third quarter of 2015 to \$1,369 from \$924 in the same quarter of 2014. The increase is primarily due to a 83% decrease in ounces sold, partially offset by lower operating costs.

Although the Gatsuurt Project was designated as a mineral deposit of strategic importance by the Mongolian Parliament since January 2015, the project remained under care and maintenance in the third quarter of 2015. The Company continued to engage in discussions with the Mongolian Government regarding the development of the Gatsuurt Project and in mid-October agreed to a 3% special royalty in place of the Government acquiring a 34% ownership interest in the project. The Company understands that the Government has recently submitted a revised proposal regarding its ownership interest in the Gatsuurt Project to Parliament for review. Further development of the project is also subject to, among other things, finalizing a deposit development agreement, and receiving all required approvals and regulatory commissioning from the Mongolian Government. See “Other Corporate Developments – Mongolia”.

¹ Non-GAAP measure, see discussion under “Non-GAAP Measures”.

Boroo Operating Results	Three months ended September 30³,			Nine months ended September 30³,		
	2015	2014	% Change	2015	2014	% Change
<i>Unaudited (\$ millions, except as noted)</i>						
Revenue	2.7	18.8	(86%)	15.5	54.9	(72%)
Cost of sales-cash	1.8	12.3	(85%)	10.6	35.7	(71%)
Cost of sales-non-cash	1.5	3.5	(57%)	4.7	10.5	(56%)
Cost of sales-total	3.3	15.8	(79%)	15.3	46.2	(67%)
Cost of sales - \$/oz sold ⁽¹⁾	1,333	1,071	24%	1,191	1,087	10%
Tonnes milled - 000s	-	611	(100%)	-	1,617	(100%)
Average mill head grade - g/t	-	0.66	(100%)	-	0.66	(100%)
Recovery - %	-	61.1%	(100%)	-	61.2%	(100%)
Milling costs (\$/t milled material)	-	9.42	(100%)	-	10.45	(100%)
Gold produced – ounces	3,784	15,527	(76%)	13,172	43,527	(70%)
Gold sold – ounces	2,473	14,722	(83%)	12,810	42,562	(70%)
Average realized gold price - \$/oz ⁽¹⁾	1,110	1,278	(13%)	1,214	1,289	(6%)
Capital expenditures - sustaining (Boroo) ⁽¹⁾	-	-	100%	0.1	0.3	(67%)
Capital expenditures - growth (Gatsuurt) ⁽¹⁾	0.5	0.1	400%	1.0	0.6	67%
Operating costs (on a sales basis) ⁽²⁾	1.8	12.4	(85%)	10.6	35.7	(71%)
Adjusted operating costs ⁽¹⁾	3.2	13.6	(76%)	17.1	39.6	(57%)
All-in Sustaining Costs ⁽¹⁾	3.4	13.7	(75%)	17.7	40.3	(56%)
All-in Costs ⁽¹⁾	3.4	13.7	(75%)	17.7	40.3	(56%)
All-in Costs - including taxes ⁽¹⁾	3.4	17.0	(80%)	17.9	43.6	(59%)
Adjusted operating costs - \$/oz sold⁽¹⁾	1,302	916	42%	1,334	929	44%
All-in sustaining costs – \$/oz sold⁽¹⁾	1,369	924	48%	1,379	944	46%
All-in costs – \$/oz sold⁽¹⁾	1,369	924	48%	1,379	944	46%
All-in costs (including taxes) – \$/oz sold⁽¹⁾	1,371	1,148	19%	1,394	1,022	36%

- (1) Adjusted operating costs, all-in sustaining costs, all-in costs and all-in costs – including taxes (in \$ millions and per ounce sold), as well as average realized gold price per ounce sold, cost of sales per ounce sold and capital expenditures (sustaining and growth) are non-GAAP measures and are discussed under “Non-GAAP Measures”.
- (2) Operating costs (on a sales basis) is comprised of mine operating costs such as mining, processing, regional office administration, royalties and production taxes, but excludes reclamation costs and depreciation, depletion and amortization.
- (3) Results may not add due to rounding.

Öksüt Project Development

At the Öksüt Project in Turkey, the Company spent \$2.4 million and \$6.0 million during the three and nine months ended September 30, 2015, respectively (\$1.5 million and \$3.6 million in the three and nine months ended September 30, 2014) on development activities to progress the EIA, complete the feasibility study and begin detailed engineering.

The EIA process continues with formal approval from the Turkish regulatory authorities expected in the fourth quarter 2015. Receipt of operational permits is contingent on the approval of the EIA and applications for all required permits will follow upon approval of the EIA. However, there are no assurances that the formal approval of the EIA and the subsequent permits will be obtained by Öksüt in the anticipated time frame.

On July 28, 2015, the Company announced a positive feasibility study and the planned development of the Öksüt Project, subject to final approval of the Turkish EIA and receipt of all required permits. See the Company's news release dated July 28, 2015. On September 3, 2015 a Technical Report for the Öksüt Project was filed on SEDAR. The Company expects to begin development of the Öksüt Project in the first quarter of 2016 with first gold production anticipated in the second quarter of 2017.

The Öksüt Project is expected to process 26.1 million tonnes of ore at an average grade of 1.4 g/t gold over eight years producing 895,000 ounces of gold at an average all-in-sustaining cost per ounce sold¹ of \$490. The life-of-mine strip ratio is expected to be 2:1. Mining is planned to be conducted by a local contractor using a conventional truck and shovel fleet utilizing small, selective, loading equipment and 36 tonne trucks. The ore will be crushed to 38 mm through two stages of crushing and be placed on the heap leach pad at a rate of 11,000 tonnes per day. Life-of mine gold recovery is expected to be 77%. Pre-production expenditures and construction capital are estimated to be \$221 million including \$25 million in contingency.

Greenstone Gold Property Development

In the third quarter of 2015, the Company spent \$4.0 million (\$13.0 million in the first nine months of 2015) on development activities. During the third quarter of 2015, work continued on the feasibility study for the Hardrock Deposit, including detailed engineering on the processing facility, tailings facility and critical site infrastructure. An updated resource calculation was completed as provided for in the implementation agreement between Centerra and Premier which resulted in an C\$11 million (\$8.3 million) additional payment to the partnership. Work also continued on the development of a new resource model that incorporates all available drill hole and assay data and technical input from a third party audit. This new resource model is expected to be completed early in the fourth quarter of 2015 and will be incorporated into the feasibility study which is expected to be completed in the first half of 2016.

In the quarter, progress was made on completing the Environmental Assessment (EA) and in relationship building with the local communities.

Non-GAAP Measures

This news release contains the following non-GAAP financial measures: all-in sustaining costs, all-in costs, all-in costs including taxes and adjusted operating costs in dollars (millions) and per ounce sold, as well as cost of sales per ounce sold, capital expenditures (sustaining), capital expenditures (growth) and average realized gold price. These financial measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers, even as compared to other issuers who may also be applying the World Gold Council ("WGC") guidelines, which can be found at <http://www.gold.org>.

Management believes that the use of these non-GAAP measures will assist analysts, investors and other stakeholders of the Company in understanding the costs associated with producing gold, understanding the economics of gold mining, assessing our operating performance, our ability to generate free cash flow from current operations and to generate free cash flow on an overall Company basis, and for planning and forecasting of future periods. However, the measures do have limitations as analytical tools as they may be influenced by the point in the life cycle of a specific mine and the level of additional exploration or

¹ Non-GAAP measure, see discussion under "Non-GAAP Measures".

expenditures a company has to make to fully develop its properties. Accordingly, these non-GAAP measures should not be considered in isolation, or as a substitute for, analysis of our results as reported under GAAP.

Definitions

The following is a description of non-GAAP measures commonly used. The definitions are consistent with the WGC's Guidance Note on these non-GAAP measures:

- *Operating costs* (on a sales basis) include mine operating costs such as mining, processing, site support, royalties and operating taxes (except at Kumtor where revenue-based taxes are excluded), but exclude depreciation, depletion and amortization (DD&A), reclamation costs, financing costs, capital development and exploration.
- *Adjusted operating costs* per ounce sold include operating costs (on a sales basis), regional office administration, community costs related to current operations, refining fees and by-product credits.
- *All-in sustaining costs per ounce sold* include adjusted operating costs, the cash component of capitalized stripping costs, regional office administration costs, accretion expenses, and sustaining capital. The measure incorporates costs related to sustaining production.
- *All-in costs per ounce sold* include all-in sustaining costs and additional costs for growth capital, corporate general and administrative expenses, global exploration expenses and social development costs not related to current operations, but excludes the following:
 - Working capital (except for adjustments to inventory on a sales basis).
 - All financing charges (including capitalized interest).
 - Costs related to business combinations, asset acquisitions and asset disposals.
 - Other non-operating income and expenses, including interest income, bank charges, and foreign exchange gains and losses.
- *All-in costs including taxes per ounce sold* measure includes revenue-based taxes at Kumtor and income taxes at Boroo.
- *Capital expenditures (Sustaining)* is a capital expenditure necessary to maintain existing levels of production. The sustaining capital expenditures maintain the existing mine fleet, mill and other facilities so that they function at levels consistent from year to year.
- *Capital expenditures (Growth)* is capital expended to expand the business or operations by increasing productive capacity beyond current levels of performance.
- *Average realized gold price* is calculated by dividing revenue derived from gold sales by the number of ounces sold.
- *Pre-tax cash flows* are net cash flows generated by the project excluding cash taxes and government refunds.
- *Free cash flows* are defined as cash flows generated by operating activities less capital expenditure.
- *Cumulative free cash flows* are a summation of free cash flows over the life of a project.

Adjusted Operating Cost, All-in Sustaining Costs and All-in Costs (including and excluding taxes) are non-GAAP measures used in this news release and can be reconciled as follows:

(1) By operation

Kumtor

<i>(unaudited)</i> (\$ millions, unless otherwise specified)	Three months ended September 30, ⁽¹⁾		Nine months ended September 30, ⁽¹⁾	
	2015	2014	2015	2014
Cost of sales, as reported	\$ 72.8	\$ 84.9	\$ 255.8	\$ 272.9
Less: Non-cash component	39.3	41.1	151.6	161.5
Cost of sales, cash component	\$ 33.5	\$ 43.8	\$ 104.2	\$ 111.4
Adjust for:				
Regional office administration	3.4	4.7	11.8	14.1
Refining fees	0.6	0.6	2.4	1.6
By-product credits	(0.5)	(0.6)	(1.9)	(1.6)
Community costs related to current operations	0.3	1.3	1.6	4.0
Adjusted Operating Costs	\$ 37.3	\$ 49.8	\$ 118.1	\$ 129.5
Accretion expense	0.2	0.3	0.7	0.9
Capitalized stripping and ice unload	49.1	38.5	150.3	162.4
Capital expenditures (sustaining)	14.4	14.1	38.6	35.3
All-in Sustaining Costs	\$ 101.0	\$ 102.7	\$ 307.7	\$ 328.1
Capital expenditures (growth)	1.4	15.2	11.8	28.6
Exploration	-	-	-	(0.1)
All-in Costs	\$ 102.4	\$ 117.9	\$ 319.5	\$ 356.6
Revenue-based taxes and income taxes	15.9	16.4	64.4	48.8
All-in Costs (including taxes)	\$ 118.3	\$ 134.3	\$ 383.9	\$ 405.4
Ounces sold (000)	101	93	389	272
Adjusted Operating Costs per ounce sold	\$ 369	\$ 539	\$ 304	\$ 476
All-in Sustaining Costs per ounce sold	\$ 1,000	\$ 1,110	\$ 791	\$ 1,205
All-in Costs per ounce sold	\$ 1,014	\$ 1,274	\$ 821	\$ 1,310
All-in Costs (including taxes) per ounce sold	\$ 1,171	\$ 1,451	\$ 987	\$ 1,489

(1) Results may not add due to rounding

Boroo

<i>(unaudited)</i> (\$ millions, unless otherwise specified)	Three months ended September 30, ⁽¹⁾		Nine months ended September 30, ⁽¹⁾	
	2015	2014	2015	2014
Cost of sales, as reported	\$ 3.3	\$ 15.8	\$ 15.3	\$ 46.3
Less: Non-cash component	1.5	3.4	4.7	10.6
Cost of sales, cash component	\$ 1.8	\$ 12.4	\$ 10.6	\$ 35.7
Adjust for:				
Regional office administration	0.7	1.1	2.6	3.5
Mine stand-by costs	0.7	-	3.7	0.2
Refining fees	-	-	-	0.1
By-product credits	-	-	(0.1)	(0.1)
Community costs related to current operations	0.1	0.1	0.3	0.2
Adjusted Operating Costs	\$ 3.2	\$ 13.6	\$ 17.1	\$ 39.6
Accretion expense	0.2	0.1	0.5	0.4
Capital expenditures (sustaining)	-	-	0.1	0.3
All-in Sustaining Costs	\$ 3.4	\$ 13.7	\$ 17.7	\$ 40.3
All-in Costs	\$ 3.4	\$ 13.7	\$ 17.7	\$ 40.3
Income taxes (cash)	-	3.3	0.2	3.3
All-in Costs (including taxes)	\$ 3.4	\$ 17.0	\$ 17.9	\$ 43.6
Ounces sold (000)	2.5	14.7	12.8	42.6
Adjusted Operating Costs per ounce sold	\$ 1,302	\$ 916	\$ 1,334	\$ 929
All-in Sustaining Costs per ounce sold	\$ 1,369	\$ 924	\$ 1,379	\$ 944
All-in Costs per ounce sold	\$ 1,369	\$ 924	\$ 1,379	\$ 944
All-in Costs (including taxes) per ounce sold	\$ 1,371	\$ 1,148	\$ 1,394	\$ 1,022

(1) Results may not add due to rounding

2) Consolidated

Centerra

<i>(unaudited)</i> (\$ millions, unless otherwise specified)	Three months ended September 30, ⁽¹⁾		Nine months ended September 30, ⁽¹⁾	
	2015	2014	2015	2014
Cost of sales, as reported	\$ 76.1	\$ 100.7	\$ 271.1	\$ 319.1
Less: Non-cash component	40.8	44.5	156.3	172.0
Cost of sales, cash component	\$ 35.3	\$ 56.2	\$ 114.8	\$ 147.1
Adjust for:				
Regional office administration	4.1	5.8	14.4	17.6
Mine stand-by costs	0.7	-	3.7	0.2
Refining fees	0.6	0.6	2.4	1.7
By-product credits	(0.5)	(0.6)	(2.0)	(1.7)
Community costs related to current operations	0.4	1.4	1.8	4.1
Adjusted Operating Costs	\$ 40.6	\$ 63.4	\$ 135.1	\$ 169.0
Corporate general administrative costs	7.8	5.8	27.8	24.0
Accretion expense	0.4	0.4	1.1	1.2
Capitalized stripping and ice unload	49.1	38.5	150.3	162.4
Capital expenditures (sustaining)	14.8	14.2	39.4	35.8
All-in Sustaining Costs	\$ 112.7	\$ 122.3	\$ 353.8	\$ 392.4
Capital expenditures (growth)	1.9	15.4	12.8	29.2
Exploration and business development	3.1	5.0	8.0	11.6
Other project costs not related to current operations	8.1	1.6	22.2	3.9
All-in Costs	\$ 125.8	\$ 144.3	\$ 396.7	\$ 437.1
Revenue-based taxes and income taxes (cash)	15.9	19.7	64.6	52.1
All-in Costs (including taxes)	\$ 141.7	\$ 164.0	\$ 461.3	\$ 489.2
Ounces sold (000)	103.5	107.4	401.8	314.9
Adjusted Operating Costs per ounce sold	\$ 393	\$ 590	\$ 336	\$ 537
All-in Sustaining Costs per ounce sold	\$ 1,089	\$ 1,139	\$ 881	\$ 1,246
All-in Costs per ounce sold	\$ 1,216	\$ 1,344	\$ 987	\$ 1,388
All-in Costs (including taxes) per ounce sold	\$ 1,370	\$ 1,527	\$ 1,148	\$ 1,554

(1) Results may not add due to rounding

Sustaining capital, growth capital and capitalized stripping presented in the All-in measures can be reconciled as follows:

Three months ended September 30,	Kumtor	Boroo	All other	Consolidated
(\$ millions) <i>(Unaudited)</i>				
2015				
Capitalized stripping –cash	49.1	-	-	49.1
Sustaining capital - cash	14.4	-	0.4	14.8
Growth capital - cash	1.4	-	0.5	1.9
Greenstone Gold Property pre-development capital - cash	-	-	3.0	3.0
Öksüt development capital - cash	-	-	1.8	1.8
Net increase in accruals included in additions to PP&E	(1.4)	-	-	(1.4)
Total - Additions to PP&E	63.5	-	5.7	69.2⁽¹⁾
2014				
Capitalized stripping – cash	38.5	-	-	38.5
Sustaining capital – cash	14.1	-	0.1	14.2
Growth capital - cash	15.2	-	0.2	15.4
Net increase in accruals included in additions to PP&E	(0.9)	-	-	(0.9)
Total - Additions to PP&E	66.9	-	0.3	67.2⁽¹⁾

Nine months ended September 30,	Kumtor	Boroo	All other	Consolidated
(\$ millions) <i>(Unaudited)</i>				
2015				
Capitalized stripping –cash	150.3	-	-	150.3
Sustaining capital - cash	38.6	0.1	0.7	39.4
Growth capital - cash	11.8	-	1.0	12.8
Greenstone Gold Property pre-development capital - cash	-	-	8.8	8.8
Öksüt development capital - cash	-	-	1.8	1.8
Net increase in accruals included in additions to PP&E	(1.3)	-	-	(1.3)
Total - Additions to PP&E	199.4	0.1	12.3	211.8⁽¹⁾
2014				
Capitalized stripping – cash	162.4	-	-	162.4
Sustaining capital – cash	35.3	0.3	0.2	35.8
Growth capital - cash	28.6	-	0.6	29.2
Net increase in accruals included in additions to PP&E	(4.1)	-	-	(4.1)
Total - Additions to PP&E	222.2	0.3	0.8	223.3⁽¹⁾

⁽¹⁾ As reported in the Company's Consolidated Statement of Cash Flows as "Investing Activities – Additions to property, plant & equipment".

Third Quarter Exploration Update

Turkey

Öksüt Project

In the third quarter, exploration activities at Öksüt continued with drilling and a geophysical survey. The Öksüt 2015 diamond drilling campaign commenced at the beginning of July and by the end of the quarter, a total of 1,854 metres had been drilled at the project from eleven drill-holes. Previously identified targets at Guneytepe, Buyuktepe, Boztepe West and Keltepe NW have been tested with drilling from pre-existing drill-pads.

Three drill holes ODD0257, ODD0258 and ODD0259 were drilled to test the extension of the Guneytepe mineralization to the north which intercepted significant gold mineralization and confirmed the extension of the resources at Guneytepe up to 50 metres to the north-northeast. Two of the better intercepts are 162.1 metres grading 0.68 g/t gold (Au) and 102.3 metres grading 0.81 g/t Au of primarily oxidized or partially oxidized material. These results will be incorporated into the existing resource estimate.

In Keltepe NW Prospect, lying about 600 metres northwest of the current Keltepe Resource two drill holes ODD0266 and ODD0267 were drilled to follow up on some significant isolated gold intercepts obtained during previous year's drilling campaign. Both drill holes returned significant assays closer to the surface that suggest potential for an oxide gold resource to complement the Keltepe and Guneytepe resources. Two of the better intercepts are 41.4 metres grading 0.76 g/t Au, including 15.1 metres grading 1.44 g/t Au and 14.9 metres grading 1.7 g/t Au, including 8.2 metres grading 2.94 g/t Au of oxidized or partially oxidized material. Additional grid drilling is planned in the area once the necessary drill permits are approved.

** The above mineralized intercepts were calculated using a cut-off grade of 0.2 g/t Au and a maximum internal dilution interval of 5.0 metres. Drill collar locations and drill results tables are available at the following link http://media3.marketwire.com/docs/CG-Q3-Expl_tables.pdf.*

Portugal

Lagares Gold Property

The diamond drilling program on the Lagares property in northern Portugal was completed during the third quarter. A total of 31 drill holes with a total length of 2,989 metres were drilled by the end of September. Thirteen of these drill-holes tested 500 metres of strike length of the Castromil zone of gold mineralization, our main target on the property. Sixteen drill holes were drilled at the Sierra da Quinta mineralized zone that represents the southeastward continuation of the Castromil mineralization. Two holes were drilled at Castromil North to test an anomalous gold and arsenic soil and rock geochemistry target. All of the boreholes intersected variably altered granite which is the host-rock to gold mineralization at Lagares. Higher concentrations of gold tend to be associated with zones of intense silica-pyrite alteration and irregular veins of semi-massive pyrite. Highlights of results are available at the following link http://media3.marketwire.com/docs/CG-Q3-Expl_tables.pdf.

A listing of the drill results, and drill hole locations for the Öksüt Project and the Lagares Gold Property have been filed on the System for Electronic Document Analysis and Retrieval ('SEDAR') at www.sedar.com and are available at the Company's web site.

Qualified Person & QA/QC

Exploration information and other related scientific and technical information in this news release regarding the Öksüt Project and the Lagares Project were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101 (NI 43-101) and were

prepared, reviewed, verified and compiled by Centerra's geological and mining staff under the supervision of Malcolm Stallman, Member of the Australasian Institute of Mining and Metallurgy (AusIMM), Centerra's Director Exploration, Western Asia, Europe and West Africa, who is the qualified person for the purpose of NI 43-101. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent certified assay labs are used.

All production information and other scientific and technical information in this news release, including with regard to the Kumtor and Boroo projects, were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and NI 43-101 and were prepared, reviewed, verified and compiled by Centerra's geological and mining staff under the supervision of Gordon Reid, Professional Engineer and Centerra's Vice-President and Chief Operating Officer, who is the qualified person for the purpose of NI 43-101. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent certified assay labs.

Other Corporate Developments

The following is a summary of corporate developments with respect to matters affecting the Company and its subsidiaries. Readers are cautioned that there are a number of legal and regulatory matters that are currently affecting the Company and that the following is only a brief summary of such matters. For a more complete discussion of these matters, see the Company's most recently filed Annual Information Form (the "2014 Annual Information Form") and other subsequently filed public disclosure documents, all of which are available on SEDAR at www.sedar.com. The following summary also contains forward-looking statements and readers are referred to "Caution Regarding Forward-looking Information".

Kyrgyz Republic

Negotiations between Kyrgyz Republic and Centerra

The Company continues to be in discussions with the Kyrgyz Government to resolve all outstanding matters affecting the Kumtor Project, including, among other things: (i) claims made by the General Prosecutor relating to a \$200 million inter-corporate dividend declared and paid by KGC to Centerra in December 2013; (ii) claims made by the General Prosecutor seeking to invalidate Kumtor's land use certificate and to seize certain lands within the Kumtor concession area; and (iii) significant environmental claims made by various Kyrgyz state agencies alleging environmental offenses and other matters totalling approximately \$476 million (at applicable exchange rates when the claims were commenced).

The Company continues to have discussions with the Kyrgyz Government regarding the non-binding Heads of Agreement dated January 18, 2014 with the Government of the Kyrgyz Republic and Kyrgyzaltyn, which contemplates the restructuring of Kyrgyzaltyn's interest in Centerra and the ownership of the Kumtor Project. Centerra notes that any proposed resolution would need to be fair to all shareholders of Centerra and to receive all necessary legal and regulatory approvals under Kyrgyz Republic and Canadian laws.

Currently, in connection with two enforcement proceedings commenced in the Ontario courts, a total of 11,253,655 shares of Centerra held by Kyrgyzaltyn (out of 77,401,766 shares owned by Kyrgyzaltyn) are subject to Ontario court orders (injunction) which place restrictions on Kyrgyzaltyn's ability to transfer, and its ability to exercise its rights as a registered shareholder of Centerra in a manner that is inconsistent with or

would undermine the terms of the applicable court orders. The completion of any transaction pursuant to the Heads of Agreement is subject to the resolution of these enforcement proceedings against the Kyrgyz Republic or the dissolution of the injunctions granted by the Ontario court in respect thereof. Further details regarding the court order can be found below under “– Corporate - Ontario Court Proceedings Involving the Kyrgyz Republic and Kyrgyzaltyn”.

Kyrgyz Permitting and Regulatory Matters

On September 21, 2015, KGC received approval from the State Agency for Environmental and Forestry under the Government of the Kyrgyz Republic (“SAEPF”) for the 2015 annual mine plan.

There remain, however, several other outstanding permits and approvals required from Kyrgyz regulatory authorities including the Ecological Passport and the Life-of-Mine technical plan (which outlines mining plans for the Kumtor life-of-mine). We understand that the regulatory authorities reviewing such permits and approvals have expressed concerns regarding potential conflicts with the Kyrgyz Republic Water Code, which Centerra and KGC have disputed. As previously disclosed, this was also a concern in SAEPP’s review of the 2015 annual mine plan.

The Kyrgyz Republic Parliament considered draft amendments to the Water Code in June/July 2015 and such amendments received second reading in Parliament. The amendments however were not adopted, and Parliament requested more information. The Company expects that further consideration of the amendments by Parliament will occur in the fourth quarter of 2015. Kumtor will continue to work with the applicable Kyrgyz regulatory authorities to obtain the necessary permits and approvals, however there can be no assurances that such permits and approvals will be issued or issued in a timely manner.

Should Kumtor be prohibited from moving ice (as a result of the purported application of the Water Code), the entire December 31, 2014 mineral reserves at Kumtor, and Kumtor’s current life of mine plan would be at risk, leading to an early closure of the operation. Centerra believes that any disagreement in relation to the application of the Water Code to Kumtor would be subject international arbitration under the 2009 agreements governing the Kumtor Project (the “Kumtor Project Agreements”).

Eurasian Economic Union

The recent accession of the Kyrgyz Republic into the Eurasian Economic Union (EEU) is expected to result in changes to the application of certain customs, tax and other laws in the Kyrgyz Republic. The Company believes that the Kumtor Project Agreements protect Kumtor from any adverse changes to such laws because the provisions of the Kumtor Project Agreements govern in the event of conflict with future changes to Kyrgyz laws or treaty provisions. However, there is a potential for inconsistency between the Kumtor Project Agreement and the provisions of certain Kyrgyz customs, tax and other laws as a result the Kyrgyz Republic’s accession to the EEU and there can be no assurance that Kyrgyz authorities will not seek to enforce such laws on the activities of the Kumtor Project.

The Company has benefited from a close and constructive dialogue with Kyrgyz authorities during project operations and remains committed to working with them to resolve these issues in accordance with the Kumtor Project Agreements, which provide for all disputes to be resolved by international arbitration, if necessary. However, there are no assurances that the Company will be able to successfully resolve any or all of the outstanding matters affecting the Kumtor Project. The inability to successfully resolve all such matters would have a material adverse impact on the Company’s future cash flows, earnings, results of operations and financial condition.

Mongolia

Gatsuurt - Development

Following the designation of the Company's Gatsuurt Project as a mineral deposit of strategic importance by the Mongolian Parliament in January 2015, the Company has been in discussions with the Government of Mongolia and its working groups to determine the economic terms of the future development of the Gatsuurt Project. In mid-October, the Company agreed to a 3% special royalty in place of the Government acquiring a 34% ownership interest in the project. The Company understands that the Government has recently submitted a revised proposal regarding its ownership interest in the Gatsuurt Project to Parliament for review.

Further development of the Gatsuurt Project will be subject to, among other things, receiving Parliamentary approval of the Mongolia's state ownership or special royalty as well as all required approvals and regulatory commissioning from the Mongolian Government. There are no assurances that the Mongolian Parliament will agree and approve the special royalty rate for the Gatsuurt Project, and that applicable approvals and regulatory commissions from the Mongolian Government are received (in a timely fashion or at all). The inability to successfully resolve all such matters would have a material adverse impact on the Company's future cash flows, earnings, results of operations and financial condition.

Gatsuurt – Illegal Mining

Starting in June 2015, a significant number of artisanal (illegal) miners began entering the Gatsuurt license area and engaging in artisanal mining. The numbers have fluctuated but we understand from reports that the numbers have reached up to 200-300 artisanal miners at a single time. Our first priority is the health and safety of our employees and of artisanal miners themselves. The types of activities carried out by artisanal miners at Gatsuurt can be dangerous to human health, safety as well as the environment. We have advised appropriate Mongolian federal and aimag (local) governments, relevant state bodies and police of the artisanal miners and have requested their assistance to clear the Gatsuurt site from artisanal miners and restrict their access to the area in accordance with Mongolian laws. We do not support any violence or excessive use of force in encounters between Mongolian authorities and artisanal miners and have made this explicitly clear to the Mongolian authorities. As there are no ongoing operations at the Gatsuurt Project at this time, there is no current conflict with Centerra or its local personnel. However, this is a matter of concern and we are working with Mongolian authorities to resolve the situation in a peaceful manner such that when we receive all required approvals for the Gatsuurt Project to proceed, we can begin operations without the risk of conflict.

Corporate

Greenstone Gold Mines Partnership

In September 2015, Centerra made an additional capital contribution to the Greenstone Gold Mines Partnership ("Greenstone Partnership") of \$8.3 million (C\$11 million) as contemplated in the implementation agreement for Centerra's 50% interest in the Greenstone Partnership. This contribution was contingent on the outcome of additional drilling and its impact on the mineral resources at the Hardrock Project. Pursuant to the terms of the implementation agreement, the additional contribution was subsequently distributed to Premier as a capital distribution from the Greenstone Partnership.

Claims against Mr. Len Homeniuk, former President and CEO

As previously disclosed, Mr. Len Homeniuk was detained by authorities in Bulgaria at the request of the Kyrgyz Republic who sought to extradite him to the Kyrgyz Republic where he faces criminal charges relating to the restructuring of the Kumtor project in 2003-2004. Mr. Homeniuk was President and CEO of Centerra from 2004 until his retirement in June 2008. On October 7, 2015, the Bulgarian courts denied a

request by the Kyrgyz Republic to extradite Mr. Homeniuk. Subsequent to this order, Mr. Homeniuk returned home to the United States. Centerra has previously reviewed the allegations of improper transactions during the 2003-2004 Kumtor restructuring and has found no basis for them. Centerra has repeatedly requested information from the Kyrgyz Republic authorities as to the factual basis for the allegations but such information has not been provided to it.

Ontario Court Proceedings Involving the Kyrgyz Republic and Kyrgyzaltyn

Starting in 2011, there have been four Ontario applications commenced by different applicants against the Kyrgyz Republic and Kyrgyzaltyn, each seeking to enforce in Ontario international arbitral awards against the Kyrgyz Republic. None of these disputes relate directly to Centerra or the Kumtor Project. In each of these cases, the applicants have argued that the Kyrgyz Republic has an interest in the shares of Centerra held by Kyrgyzaltyn, a state controlled entity, and therefore that the applicant is entitled to seize such number of Centerra shares and/or such amount of dividends as necessary to satisfy their respective arbitral awards against the Kyrgyz Republic. The four applicants and the amount of their arbitral awards are as follows: (i) Sistem Mühendislik İnşaat Ve Ticaret Anonim Sirketi (“Sistem”) commenced its claim in Ontario in March 2011 to enforce an arbitral award in the amount of approximately \$9 million; (ii) Stans Energy Corp. (“Stans”) commenced its claim in Ontario in October 2014 to enforce its arbitral award for approximately \$118 million; (iii) Valeri Belokon (“Belokon”) commenced his claim in Ontario in February 2015 to enforce his arbitral award for approximately \$16.5 million; and (iv) Entes Industrial Plants Construction & Erection Contracting Co. Inc. commenced its claim in October 2015 to enforce an arbitral award for approximately \$22.7 million.

In the Sistem case, on June 19, 2015 the Ontario Court of Appeal made a finding that the Kyrgyz Republic was not properly served in the previous proceedings and, accordingly, it allowed Kyrgyzaltyn’s appeal and cancelled a previous court’s decision which determined that the Kyrgyz Republic had an equitable interest in the shares of Centerra held by Kyrgyzaltyn. The Court of Appeal held that a new hearing may be held following proper service of Sistem’s Amended Notice of Application to the Kyrgyz Republic. The Company understands that Sistem is seeking leave to appeal this decision to the Supreme Court of Canada however a decision on whether the Supreme Court of Canada will grant leave to appeal has not yet been rendered.

On June 10, 2015, the Ontario Superior Court of Justice Divisional Court issued its decision on an appeal brought by Kyrgyzaltyn in the Stans case. The effect of this decision was to cancel a previously issued court order (injunction) which (among other things) restricted Kyrgyzaltyn’s ability to deal with 47 million Centerra shares and prevented the payment of dividends on all Centerra shares held by Kyrgyzaltyn. The court made its decision based on, among other things, the existence of new evidence put forward by Kyrgyzaltyn, and in particular the Moscow State Court decision dated April 29, 2015 (and the short form reasons for that decision dated May 15, 2015) which determined that the Moscow Chamber of Commerce and Industry (“MCCI”), the arbitral body which granted the Stans’ arbitral award for \$118 million, did not have jurisdiction to make an award. Based on Stan’s public disclosure, we understand that in May 2015, Stans commenced a fresh arbitration against the Kyrgyz Republic in accordance with the United Nations Commission on International Trade Law. On May 19, 2015, Stans commenced another application in the Ontario Superior Court of Justice to recognize and enforce this “anticipated arbitration award” in the amount of \$118 million, but has not taken any steps to move that application forward.

In the Belokon proceedings, the original court order issued in February 2015 which restricted certain shares and the payment of dividends was amended on September 8, 2015. The amended order now restricts Kyrgyzaltyn’s ability to transfer and to exercise its rights as a registered shareholder over 3,787,879 shares (formerly 6,500,240 shares), and caps the amount of dividends to be held in trust for the Belokon proceeding to C\$10 million. Accordingly, all amounts held in trust in excess of C\$10 million were released to

Kyrgyzaltyn in September 2015. Kyrgyzaltyn is seeking leave from the Divisional Court to appeal this decision.

On October 15, 2015, Centerra received an Ontario court order in favour of Entes Industrial Plants Construction & Erection Contracting Co. Inc. (“Entes”), which has an arbitral award against the Kyrgyz Republic for \$22.7 million. The injunction (i) prohibits Kyrgyzaltyn from, among other things, selling or transferring 7,465,776 shares of Centerra held by it (over and above the 3,787,879 shares already restricted in the Belokon proceedings); and (ii) requires Centerra to pay any dividends declared on Centerra shares held by Kyrgyzaltyn into trust for the benefit of the Entes enforcement application. The order does not set a cap on the amount of dividends to be held in trust.

2015 Outlook

Kumtor’s forecast 2015 production and unit costs are provided on a 100% basis and the forecast does not make any assumptions regarding possible changes in the structure and management of the Kumtor Project, including without limitation the level of ownership resulting from ongoing discussions with the Government of the Kyrgyz Republic and Kyrgyzaltyn, Centerra’s largest shareholder. See “Material Assumption and Risks” for other material assumptions or factors used to forecast production and costs for 2015.

Centerra’s 2015 guidance for exploration, corporate administration, community costs and DD&A is unchanged from the previous guidance disclosed in the Company’s news release of July 28, 2015. Centerra’s 2015 guidance for production has been revised with the lower end of the range increased by 20,000 ounces to reflect better estimates of total annual production for Kumtor and Boroo. In addition, the Company revised all-in costs per ounce to reflect lower operating costs, and revised capital expenditures forecast for updated capital requirements for the Öksüt and Kumtor projects.

Centerra’s 2015 forecast for production and unit costs per ounce sold has been revised as follows:

	2015 Production Forecast (ounces of gold)	2015 All-in Sustaining Costs¹ (\$ per ounce sold)	2015 All-in Costs¹ (\$ per ounce sold)
Kumtor	490,000 – 520,000	\$736 – \$781	\$770 – \$817
Boroo	Approximately 15,000	Approximately \$1,490	Approximately \$1,490
Consolidated	505,000 – 535,000	\$827-\$875	\$950 – \$1,004

2015 All-in Unit Costs

Centerra’s forecast for 2015 all-in sustaining costs per ounce sold¹, all-in costs per ounce sold¹ and all-in costs (including taxes) per ounce sold¹ have been revised to reflect the new estimated production ranges, lower operating costs and revised capital expenditures guidance as follows:

¹ Non-GAAP measure, see discussion under “Non-GAAP Measures”.

	Kumtor	Boroo⁽⁴⁾	Consolidated
Ounces sold forecast	490,000-520,000	Approx. 15,000	505,000-535,000
US \$ / gold ounces sold			
Operating Costs	342 – 362	406	343 – 363
Changes in inventories	(57) – (60)	425	(43) – (46)
Operating Costs (on a sales basis)	\$285 – 302	\$831	\$300 – 317
Regional office administration	30 – 32	256	36 – 39
Standby costs	-	326	9
Social Development costs	4 – 5	25	5
Refining costs and by-product credits	1	(2)	1
Sub-Total (Adjusted Operating Costs)⁽¹⁾	\$320 – 340	\$1,436	\$351 – 371
Corporate general & administrative costs	-	-	70 – 74
Accretion expense	2	41	3
Capitalized stripping costs – cash	303 – 321	-	294 – 312
Capital expenditures (sustaining) ⁽¹⁾	111 – 118	13	109 – 115
All-in Sustaining Costs⁽¹⁾	\$736 – 781	\$1,490	\$827 – 875
Capital expenditures (growth) ⁽¹⁾	34-36	-	36-38
Other costs ⁽²⁾	-	-	25-26
Greenstone Gold Property ⁽⁵⁾	-	-	40-42
Öksüt Project ⁽⁶⁾	-	-	22-23
All-in Costs	\$770 – 817	\$1,490	\$950 – 1,004
Revenue-based tax and income taxes ⁽³⁾	165	12	160
All-in Costs (including taxes)⁽¹⁾	\$935 – 982	\$1,502	\$1,110 – 1,164

- (1) Adjusted operating costs per ounce sold, all-in sustaining costs per ounce sold, all-in costs per ounce sold, all-in costs (including taxes) per ounce sold, as well as capital expenditures (sustaining and growth) are non-GAAP measures and are discussed under “Non-GAAP Measures”.
- (2) Other costs per ounce sold include global exploration expenses and business development expense.
- (3) Includes revenue-based tax that reflects a forecast gold price assumption of \$1,150 per ounce sold for the second half of 2015.
- (4) At the Boroo operation, all forecast production and sales are a result of secondary leaching and mill cleanup.
- (5) All-in costs include both expensed and capitalized spending by Centerra for the Greenstone Gold Property.
- (6) All-in costs include both expensed and capitalized spending by Centerra for the Öksüt Project.

2015 Greenstone Gold Property

Centerra acquired a 50% interest in the Greenstone Gold Property from Premier on March 9, 2015. Centerra has agreed to fund exploration work and project development work including completion of the feasibility study (via capital contributions) to the Greenstone Partnership in the aggregate amount of C\$185 million, which obligation is subject to certain feasibility study results and project advancement criteria.

Centerra's guidance for estimated 2015 expenditures in connection with the project is approximately \$22 million, which is unchanged from the prior guidance. The forecasted spending for 2015 will be fully funded by Centerra with 50% of spending accounted for as pre-development project spending or exploration and expensed through Centerra's income statement and the remaining 50% of spending accounted for as an acquisition cost of the Greenstone Gold Property capitalized on Centerra's balance sheet.

2015 Öksüt Project

The feasibility study on the Company's Öksüt Project was approved on July 28, 2015. The total actual spending expensed through the income statement in the September 30, 2015 year-to-date period for technical studies, environmental and social impact assessments, and project support amounted to \$4.2 million. In addition, \$1.6 million of the project support costs incurred in the September 30, 2015 year-to-date period have been capitalized as pre-construction costs. It is expected that additional \$1.9 million for the project support costs for the fourth quarter of 2015 will be capitalized as pre-construction costs. Therefore, it is expected that the total spending on technical studies, environmental and social impact assessments, and project support for the full year of 2015 including both expensed and capitalized components will be approximately \$7.7 million (\$7.9 million in the prior guidance).

The Öksüt Project EIA has completed regulatory review and has been forwarded to the Minister of Urbanization and Environment for formal approval and signature, such approval is anticipated in the fourth quarter of 2015. Based on an assumption of a timely approval of the EIA, the Company expects to advance \$9.4 million (\$17.7 million in the prior guidance) for deposits on long lead items and down payments on detailed engineering contracts in 2015. The lower estimate for deposits and down payments for long lead items and detailed engineering contracts in 2015 is due to timing differences in payments and lower cost estimates. It is expected that \$3.8 million of \$9.4 million will be earned by the contractors by the 2015 year-end. This estimate of \$3.8 million has been included in the 2015 forecast as a capital expenditure and is reflected in Centerra's forecast of all-in costs¹. The remaining \$5.6 million of \$9.4 million will be charged to prepaid expenses on the balance sheet and then capitalized as the contractors complete their work in 2016.

The Company's forecast for exploration at the Öksüt property has been revised to \$0.9 million (\$1.3 million in the prior guidance).

2015 Capital Expenditures

Centerra's projected capital expenditures for 2015, excluding capitalized stripping and capitalized acquisition costs of the Greenstone Gold Property, are estimated to be \$85 million (\$97 million in the prior guidance), including \$59 million (\$55 million in the prior guidance) of sustaining capital¹ and \$26 million (\$42 million in the prior guidance) of growth capital¹.

¹ Non-GAAP measure, see discussion under "Non-GAAP Measures".

Projected capital expenditures (excluding capitalized stripping) include:

Projects	2015 Growth Capital¹ (millions of dollars)	2015 Sustaining Capital¹ (millions of dollars)
Kumtor	\$17	\$58
Mongolia (Gatsuurt and Boroo)	\$1	-
Öksüt	\$8	-
Corporate and other	-	\$1
Consolidated Total	\$26	\$59

Kumtor

At Kumtor, 2015 total capital expenditures, excluding capitalized stripping, are forecast to be \$75 million (\$77 million in the prior guidance). Forecast for sustaining capital¹ has increased to \$58 million from \$54 million in the prior guidance due to higher costs on component replacement of the heavy duty mine equipment (\$2 million) and additional costs for a conversion of one Liebherr shovel to a backhoe excavator (\$2 million).

Growth capital¹ investment at Kumtor for 2015 has been reduced to \$17 million (\$23 million in the prior guidance) reflecting a delayed start to constructing the new Heavy Duty Maintenance Shop which is now scheduled for completion in second quarter of 2016.

The projected cash component of capitalized stripping costs related to the development of the open pit is expected to decrease to \$158 million from \$162 million (in the prior guidance) reflecting lower labour and diesel costs. Total capitalized stripping, including DD&A, is forecasted at \$207 million (\$212 million in the prior guidance) in 2015.

Mongolia (Boroo and Gatsuurt)

At Boroo, 2015 sustaining capital¹ expenditures are expected to be minimal with no growth capital¹ anticipated.

In January 2015, Gatsuurt was designated as a mineral deposit of strategic importance by the Mongolian Parliament which allows the project to move forward within the application of the Mongolian Water and Forest Law. In mid-October the Mongolian Government agreed to a 3% special royalty in place of acquiring a 34% ownership interest in Gatsuurt. Recently the Government has submitted a revised proposal regarding its ownership interest in the Gatsuurt Project to Parliament for review. The Company continues to hold discussions with the Mongolian Government regarding the terms and conditions of participation of the Mongolian Government in the Gatsuurt Project. See “Other Corporate Developments – Mongolia”.

The Company’s forecast of approximately \$1 million for capital spending at the Gatsuurt Project is unchanged from the previous guidance.

Öksüt Project

As noted above, the Board of Directors of the Company approved the feasibility study for its Öksüt property on July 28, 2015. The Company expects to advance \$9.4 million (\$17.7 million in the prior guidance) for

¹ Non-GAAP measure, see discussion under “Non-GAAP Measures”.

deposits on long lead items and down payments on detailed engineering contracts in 2015. It is expected that \$3.8 million of \$9.4 million will be earned by the contractors by the 2015 year-end and recorded as capital expenditure. In addition, it is expected that \$3.5 million of the project support costs and \$0.2 million of exploration costs from August 1, 2015 till December 31, 2015 will be recorded as capital expenditure bringing the total capital expenditures at the Öksüt Project to approximately \$8 million for the full year of 2015.

Sensitivities

Centerra's revenues, earnings and cash flows for the remaining six months of 2015 are sensitive to changes in certain variables. The Company has estimated the impact of any such changes on revenues, net earnings and cash from operations.

	Change	Impact on (\$ millions)			
		Costs	Revenues	Cash flow	Earnings before income tax
Gold Price	\$50/oz	0.7 – 0.9	5.1 – 6.7	4.4 – 5.8	4.4 – 5.8
Diesel Fuel	10%	1.9	-	1.9	1.3
Kyrgyz som ⁽¹⁾	1 som	0.4	-	0.4	0.4
Mongolian tugrik ⁽¹⁾	25 tugrik	-	-	-	-
Canadian dollar ⁽¹⁾	10 cents	1.1	-	1.1	1.1

⁽¹⁾ appreciation of currency against the US dollar will result in higher costs and lower cash flow and earnings, depreciation of currency against the US dollar results in decreased costs and increased cash flow and earnings

Material Assumptions and Risks

Material assumptions or factors used to forecast production and costs for the remaining three months of 2015 include the following:

- a gold price of \$1,150 per ounce (\$1,200 per ounce in the prior guidance),
- exchange rates:
 - \$1USD:C\$1.34 (C\$1.25 in prior guidance)
 - \$1USD:65.0 Kyrgyz som (60.0 Kyrgyz som in prior guidance)
 - \$1USD:1,950 Mongolian tugriks (1,900 Mongolian tugriks in prior guidance)
 - \$1USD:0.95 Euro (unchanged)
- diesel fuel price assumption:
 - \$0.54/litre at Kumtor (\$0.62/litre in the prior guidance)
 - \$0.85/litre at Boroo (\$1.10/litre in the prior guidance)

The assumed diesel price of \$0.54/litre at Kumtor assumes that no Russian export duty will be paid on the fuel exports from Russia to the Kyrgyz Republic. Diesel fuel is sourced from separate Russian suppliers for both sites and only loosely correlates with world oil prices. The diesel fuel price assumptions were made when the price of oil was approximately \$48 per barrel.

Other material assumptions were used in forecasting production and costs for 2015. These material assumptions include the following:

- That current discussions between the Government of the Kyrgyz Republic and Centerra regarding the resolution of all outstanding matters affecting the Kumtor mine are satisfactory to Centerra, fair to all of Centerra's shareholders, and that any such resolution will receive all necessary legal and regulatory approvals under Kyrgyz law and/or Canadian law.

- All mine plans and related permits and authorizations at Kumtor receive timely approval from all relevant governmental agencies.
- The buttress constructed at the bottom of the Davidov glacier continues to function as planned.
- The pit walls at Kumtor remain stable.
- The new resource block model for the Kumtor central pit reconciles as expected against production.
- Any recurrence of political or civil unrest in the Kyrgyz Republic will not impact operations, including movement of people, supplies and gold shipments to and from the Kumtor mine and/or power to the mine site.
- Any actions taken by the Kyrgyz Republic Parliament and Government do not have a material impact on operations or financial results. This includes any action being taken by the Parliament or Government to cancel the Kumtor Project Agreements, or taking any actions which are not consistent with the rights of Centerra and Kumtor Gold Company (KGC) under the Kumtor Project Agreements.
- The previously disclosed environmental claims received from the Kyrgyz regulatory authorities in the aggregate amount of approximately \$476 million (at the then current exchange rates) and the claims of the Kyrgyz Republic's General Prosecutor's Office purporting to invalidate land use rights and/or seize land at Kumtor and to unwind the \$200 million inter-company dividend declared and paid by KGC to Centerra in December 2013, and any further claims, whether environmental allegations or otherwise, are resolved without material impact on Centerra's operations or financial results.
- The accession of the Kyrgyz Republic into the Eurasian Economic Union and/or any sanctions imposed on Russian entities do not have a negative effect on the costs or availability of inputs or equipment to the Kumtor Project.
- The movement in the Central Valley Waste Dump at Kumtor, referred to in the 2014 Annual Information Form, does not accelerate and will be managed to ensure continued safe operations, without impact to gold production.
- Grades and recoveries at Kumtor will remain consistent with the 2015 production plan to achieve the forecast gold production.
- The Company is able to manage the risks associated with the increased height of the pit walls at Kumtor.
- The dewatering program at Kumtor continues to produce the expected results and the water management system works as planned.
- The Kumtor mill continues to operate as expected.
- The "strategic deposit" designation of the Gatsuert deposit will not materially change the capital forecasts for 2015.
- Prices of key consumables, costs of power and water usage fees are not significantly higher than prices assumed in planning.
- No unplanned delays in or interruption of scheduled production from our mines, including due to civil unrest, natural phenomena, regulatory or political disputes, equipment breakdown or other developmental and operational risks.
- All necessary permits, licenses and approvals are received in a timely manner.

The Company cannot give any assurances in this regard.

Production, cost and capital forecasts for 2015 are forward-looking information and are based on key assumptions and subject to material risk factors that could cause actual results to differ materially and which are discussed herein under the headings "Material Assumptions & Risks" and "Cautionary Note Regarding Forward-Looking Information" in this news release and under the heading "Risk Factors" in the Company's 2014 MD&A and in the Company's Annual Information Form for the year ended December 31, 2014.

Centerra Gold Inc.
Condensed Consolidated Interim Statements of Financial Position
(Unaudited)

	September 30, 2015	December 31, 2014
(Expressed in Thousands of United States Dollars)		
Assets		
Current assets		
Cash and cash equivalents	\$ 297,783	\$ 300,514
Short-term investments	239,623	261,503
Amounts receivable	32,591	66,214
Inventories	310,362	408,050
Prepaid expenses	12,933	12,888
	<u>893,292</u>	<u>1,049,169</u>
Property, plant and equipment	743,307	524,699
Goodwill	-	18,705
Restricted cash	7,511	12,437
Other assets	24,283	23,723
Long-term inventories	-	349
	<u>775,101</u>	<u>579,913</u>
Total assets	\$ 1,668,393	\$ 1,629,082
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	\$ 79,939	\$ 45,883
Short-term debt	76,000	76,000
Revenue-based taxes payable	9,151	24,605
Taxes payable	1,012	1,515
Current portion of provision for reclamation	1,904	2,598
	<u>168,006</u>	<u>150,601</u>
Dividends payable to related party	7,484	12,254
Provision for reclamation	66,397	65,318
Deferred income tax liability	2,913	2,266
	<u>76,794</u>	<u>79,838</u>
Total liabilities	244,800	230,439
Shareholders' equity		
Share capital	661,615	660,554
Contributed surplus	24,176	22,556
Accumulated other comprehensive income	61	-
Retained earnings	737,741	715,533
	<u>1,423,593</u>	<u>1,398,643</u>
Total liabilities and Shareholders' equity	\$ 1,668,393	\$ 1,629,082

Centerra Gold Inc.
Condensed Consolidated Interim Statements of Earnings (Loss) and Comprehensive Income (Loss)
(Unaudited)

	Three months ended		Nine months ended	
	September 30,		September 30,	
	2015	2014	2015	2014
(Expressed in Thousands of United States Dollars)				
(except per share amounts)				
Revenue from gold sales	\$ 116,226	\$ 135,778	\$ 475,618	\$ 403,272
Cost of sales	76,136	100,649	271,045	319,118
Standby costs	980	32	4,802	216
Regional office administration	4,134	5,783	14,437	17,578
Earnings from mine operations	34,976	29,314	185,334	66,360
Revenue-based taxes	15,887	16,375	64,409	48,777
Other operating expenses	423	1,507	1,086	4,370
Pre-development project costs	3,320	1,527	11,490	3,603
Impairment of goodwill	18,705	-	18,705	-
Exploration and business development	3,120	5,023	7,990	11,629
Corporate administration	7,961	5,892	28,114	24,232
(Loss) earnings from operations	(14,440)	(1,010)	53,540	(26,251)
Other expenses (income)	2,281	(1,585)	4,875	(1,108)
Finance costs	1,093	1,181	3,328	3,817
(Loss) earnings before income taxes	(17,814)	(606)	45,337	(28,960)
Income tax expense	278	2,558	832	3,835
Net (loss) earnings	\$ (18,092)	\$ (3,164)	\$ 44,505	\$ (32,795)
Other Comprehensive Income				
Items that may be subsequently reclassified to earnings:				
Net gain on translation of foreign operation	44	-	61	-
Other comprehensive income	44	-	61	-
Total comprehensive (loss) income	\$ (18,048)	\$ (3,164)	\$ 44,566	\$ (32,795)
Basic (loss) earnings per common share	\$ (0.08)	\$ (0.01)	\$ 0.19	\$ (0.14)
Diluted (loss) earnings per common share	\$ (0.08)	\$ (0.02)	\$ 0.19	\$ (0.14)

Centerra Gold Inc.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2015	2014	2015	2014
(Expressed in Thousands of United States Dollars)				
Operating activities				
Net (loss) earnings	\$ (18,092)	\$ (3,164)	\$ 44,505	\$ (32,795)
Items not requiring (providing) cash:				
Depreciation, depletion and amortization	41,264	44,575	157,687	172,289
Finance costs	1,093	1,181	3,328	3,817
Loss on disposal of equipment	1,482	-	1,976	542
Share-based compensation expense	688	610	1,990	1,870
Change in long-term inventory	-	1,349	349	4,338
Impairment charge	18,705	-	18,705	-
Income tax expense	278	2,558	832	3,835
Other operating (expense) income	(352)	150	(1,687)	(443)
	<u>45,066</u>	<u>47,259</u>	<u>227,685</u>	<u>153,453</u>
Change in operating working capital	(4,119)	(59,487)	58,687	(654)
Prepaid revenue-based taxes utilized	-	77	-	9,922
Income taxes recovered (paid)	105	(1,825)	(340)	(3,337)
Cash provided by (used in) operations	<u>41,052</u>	<u>(13,976)</u>	<u>286,032</u>	<u>159,384</u>
Investing activities				
Additions to property, plant and equipment	(69,092)	(67,194)	(211,737)	(223,248)
Net redemption (purchase) of short-term investments	91,921	(56,188)	21,880	(77,322)
Purchase of interest in Greenstone Partnership ^(a)	(8,296)	-	(75,701)	-
Decrease in restricted cash	8,828	527	4,926	476
(Increase) decrease in long-term other assets	(546)	2,933	(560)	(5,024)
Cash provided by (used in) investing	<u>22,815</u>	<u>(119,922)</u>	<u>(261,192)</u>	<u>(305,118)</u>
Financing activities				
Dividends paid - declared in period	(7,167)	(8,703)	(22,297)	(25,749)
Dividends paid - from trust account	(7,640)	-	(2,936)	-
Payment of transaction costs related to borrowing	(1,470)	(1,427)	(2,977)	(2,910)
Proceeds from common shares issued for options exercised	58	-	639	-
Cash used in financing	<u>(16,219)</u>	<u>(10,130)</u>	<u>(27,571)</u>	<u>(28,659)</u>
Increase (decrease) in cash during the period	47,648	(144,028)	(2,731)	(174,393)
Cash and cash equivalents at beginning of the period	250,135	312,743	300,514	343,108
Cash and cash equivalents at end of the period	<u>\$ 297,783</u>	<u>\$ 168,715</u>	<u>\$ 297,783</u>	<u>\$ 168,715</u>
Cash and cash equivalents consist of:				
Cash	\$ 86,227	\$ 76,434	\$ 86,227	\$ 76,434
Cash equivalents	211,556	92,281	211,556	92,281
	<u>\$ 297,783</u>	<u>\$ 168,715</u>	<u>\$ 297,783</u>	<u>\$ 168,715</u>

(a)- Formerly TCP Partnership

Centerra Gold Inc.
Condensed Consolidated Interim Statements of Shareholders' Equity
(Unaudited)

(Expressed in Thousands of United States Dollars, except share information)

	Number of Common Shares	Share Capital Amount	Contributed Surplus	Accumulated Other Comprehensive Income	Retained Earnings	Total
Balance at January 1, 2014	236,390,219	\$ 660,486	\$ 20,087	\$ -	\$ 793,737	\$ 1,474,310
Share-based compensation expense	-	-	1,870	-	-	1,870
Shares issued on redemption of restricted share units	10,035	50	-	-	-	50
Dividend declared	-	-	-	-	(25,749)	(25,749)
Net loss for the period	-	-	-	-	(32,795)	(32,795)
Balance at September 30, 2014	236,400,254	\$ 660,536	\$ 21,957	\$ -	\$ 735,193	\$ 1,417,686
Balance at January 1, 2015	236,403,958	\$ 660,554	\$ 22,556	\$ -	\$ 715,533	\$ 1,398,643
Share-based compensation expense	-	-	1,990	-	-	1,990
Shares issued on exercise of stock options	156,863	1,009	(370)	-	-	639
Shares issued on redemption of restricted share units	9,622	52	-	-	-	52
Dividend declared	-	-	-	-	(22,297)	(22,297)
Foreign currency translation	-	-	-	61	-	61
Net earnings for the period	-	-	-	-	44,505	44,505
Balance at September 30, 2015	236,570,443	\$ 661,615	\$ 24,176	\$ 61	\$ 737,741	\$ 1,423,593

To view the Management's Discussion and Analysis and the Financial Statements and Notes for the three and nine months ended September 30, 2015, please visit the following link:

<http://media3.marketwire.com/docs/cg1027mdafs.pdf>

The Unaudited Condensed Consolidated Interim Financial Statements and Notes for the three and nine months ended September 30, 2015 and Management's Discussion and Analysis for the three and nine months ended September 30, 2015 have been filed on the System for Electronic Document Analysis and Retrieval ('SEDAR') at www.sedar.com and are available at the Company's web site at: www.centerragold.com.

Caution Regarding Forward-Looking Information

Information contained in this news release which are not statements of historical facts, and the documents incorporated by reference herein, 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", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things: expectations regarding the Company's cash and short-term investments and its 2015 business plans; expectations relating to the Company's production and costs for 2015; matters relating to the Öksüt Project including progress and expected approvals of

the environmental impact assessment and feasibility study, applications for and receipt of permits, expected amounts and timing of gold production; the successful resolution of outstanding matters in the Kyrgyz Republic to the benefit of all shareholders, including discussions relating to the Heads of Agreement signed on January 18, 2014; further consideration by Mongolian Government and Parliament of the nature and extent of Mongolia's participation in the Gatsuurt Project; the Company's intentions to continue working with Kyrgyz authorities to obtain the necessary outstanding permits and approvals for the Kumtor mine; the intention of third parties, such as Sistem, Stans, or Belokon and Entes to initiate or continue legal proceedings; the peaceful resolution by Mongolian authorities of the presence of artisanal miners at the Gatsuurt property; the Company's plans in 2015 for exploration and expenditures for the Greenstone Gold Property, including the updating of the resource block model and revisions to the resource estimate for the Öksüt Project, the Greenstone Property and the Lagares exploration property in Portugal; further consideration by the Kyrgyz Parliament of amendments to the 2005 Water Code and the potential effect on the Kumtor Project of Kumtor being prevented from moving ice; the effect on Kumtor of the accession of the Kyrgyz Republic to the EEU; and estimates for production and costs on the Company's properties.

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, among other things: (A) strategic, legal, planning and other risks, including: political risks associated with the Company's operations in the Kyrgyz Republic, Mongolia and Turkey; 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 the jurisdictions in which the Company operates including any unjustified civil or criminal action against the Company, its affiliates or its current or former employees; the impact of any actions taken by the Kyrgyz Republic Government and Parliament relating to the Kumtor Project Agreements which are inconsistent with the rights of Centerra and KGC under the Kumtor Project Agreements; any impact on the purported cancellation of Kumtor's land use rights at the Kumtor Project pursuant to a court claim commenced by the Kyrgyz Republic GPO; the risks related to other outstanding litigation affecting the Company's operations in the Kyrgyz Republic and elsewhere; the impact of the delay by relevant government agencies to provide required approvals and permits, including the delay currently being experienced at the Kumtor Project over the Kumtor 2015 life of mine plan and ecological passport; the rights of the Mongolian Government to take an interest in the Gatsuurt Project as a result of the deposit being declared a strategic deposit, and the terms of any such participation, or to take a special royalty rate which has yet to be defined; the impact of changes to, the increased enforcement of, environmental laws and regulations relating to the Company's operations; the impact of any sanctions imposed by Canada, the United States or other jurisdictions against various Russian individuals and entities; the ability of the Company to negotiate successful development agreements for Gatsuurt; 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; the presence of a significant shareholder that is a state-owned company of the Kyrgyz Republic; risks related to anti-corruption legislation; risks related to the concentration of assets in Central Asia; Centerra's future exploration and development activities not being successful; Centerra not being able to replace mineral reserves; difficulties with Centerra's joint venture partners; and aboriginal claims and consultative issues relating to the Company's 50% interest in the Greenstone Gold Property; 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 Company's revolving credit facility which may, among other things, restrict the Company from pursuing certain business activities, 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, the Company's ability to make payments including any payments of principal and interest on the Company's debt facilities depends on the cash flow of its subsidiaries; and (C) risks related to operational matters and geotechnical issues, including: movement of the Davidov Glacier and the waste and ice movement at the Kumtor Project and the Company's continued ability to successfully manage such matters, including the

continued performance of the butress; the occurrence of further ground movements at the Kumtor Project and mechanical availability; the success of the Company's future exploration and development activities, including the financial and political risks inherent in carrying out exploration activities; inherent risks associated with the use of sodium cyanide in the mining operations; the adequacy of the Company's insurance to mitigate operational risks; mechanical breakdowns; the Company's ability to obtain the necessary permits and authorizations to (among other things) raise the tailings dam at the Kumtor Project to the required height; the Company's ability to replace its mineral reserves; the occurrence of any labour unrest or disturbance and the ability of the Company to successfully re-negotiate collective agreements when required; the risk that Centerra's workforce may be exposed to widespread epidemic; seismic activity in the vicinity of the Company's operations in the Kyrgyz Republic and Mongolia; long lead times required for equipment and supplies given the remote location of some of the Company's operating properties; reliance on a limited number of suppliers for certain consumables, equipment and components; illegal mining on the Company's Mongolian properties; the Company's ability to accurately predict decommissioning and reclamation costs; the Company's ability to attract and retain qualified personnel; competition for mineral acquisition opportunities; and risks associated with the conduct of joint ventures/partnerships, including the Greenstone Gold Partnership; 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. See "Risk Factors" in the Company's 2014 Annual Information Form available on SEDAR at www.sedar.com.

Furthermore, market price fluctuations in gold, as well as increased capital or production costs or reduced recovery rates may render ore reserves containing lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. The extent to which resources may ultimately be reclassified as proven or probable reserves is dependent upon the demonstration of their profitable recovery. Economic and technological factors which may change over time always influence the evaluation of reserves or resources. Centerra has not adjusted mineral resource figures in consideration of these risks and, therefore, Centerra can give no assurances that any mineral resource estimate will ultimately be reclassified as proven and probable reserves.

Mineral resources are not mineral reserves, and do not have demonstrated economic viability, but do have reasonable prospects for economic extraction. Measured and indicated resources are sufficiently well defined to allow geological and grade continuity to be reasonably assumed and permit the application of technical and economic parameters in assessing the economic viability of the resource. Inferred resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred resources are too speculative geologically to have economic considerations applied to them to enable them to be categorized as mineral reserves. There is no certainty that mineral resources of any category can be upgraded to mineral reserves through continued exploration.

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 October 27, 2015. 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 North-American based gold mining company focused on operating, developing, exploring and acquiring gold properties in Asia, North America 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 based in Toronto, Ontario, Canada.

Additional information on Centerra is available on the Company's website at www.centerragold.com and at SEDAR at www.sedar.com.

Conference Call

Centerra invites you to join its 2015 third quarter conference call on Wednesday, October 28, 2015 at 11:00AM Eastern Time. The call is open to all investors and the media. To join the call, please dial Toll-Free in North America (800) 698-0339 or International callers dial +1 (416) 359-3130. Alternatively, an audio feed web cast will be broadcast live by Thomson Reuters and can be accessed at Centerra Gold's website at www.centerragold.com. A recording of the call will be available on www.centerragold.com shortly after the call and via telephone until midnight on Wednesday, November 4, 2015 by calling (416) 626-4100 or (800) 558-5253 and using passcode 21776575.

For more information:

John W. Pearson
Vice President, Investor Relations
Centerra Gold Inc.
(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.

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