

centerra**GOLD**



NEWS RELEASE

Centerra Gold Reports Kumtor Mine Receives Permit to Raise Tailings Dam

Toronto, Canada, March 6, 2017: Centerra Gold Inc. (TSX: CG) reports that the Kumtor operation, located in the Kyrgyz Republic, has received the necessary permits from the state authorities to raise the tailings dam to the 3674 metre elevation. The construction permits enables the mine to commence the 3-year construction program to provide adequate tailings storage capacity for Kumtor's mill tailings deposition from 2021 through the end of 2024. The tailings dam construction in 2017 is the first such construction required to contain the additional 3.6 million ounces of gold reserves that resulted from the KS-13 pit expansion. It is estimated that in 2017 the Company will invest approximately \$11 million (no change to 2017 guidance) of the total estimated investment of \$32 million.

The tailings dam approval process at Kumtor requires the mine to permit each of the 3 metre tailings dam raises. After the initial raise is completed in 2020, the mine would then submit a design to raise the dam to the final elevation of 3677.5 starting in 2021. The Company expects that it would apply for and receive, in the ordinary course, the necessary approvals and permits for the final tailings dam raise.

About Centerra

Centerra is a Canadian-based gold mining company focused on operating, developing, exploring and acquiring gold properties in North America, Asia and other markets worldwide. Centerra is the largest Western-based gold producer in Central Asia. Centerra's shares trade on the Toronto Stock Exchange (TSX) under the symbol CG. The Company is headquartered in Toronto, Ontario, Canada.

Caution Regarding Forward-Looking Information

Information contained in this news release which are not statements of historical facts may be "forward-looking information" for the purposes of Canadian securities laws. Such forward-looking information involves risks, uncertainties and other factors that could cause actual results and performance to differ materially from those expressed or implied by such forward looking information. The words "believe", "expect", "anticipate", and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things, the expectations for the construction of the tailings dam at the Kumtor Mine and receiving the necessary future approvals and permits for the final tailings dam raise at the Kumtor Mine.

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, political risks associated with the Company's operations in the Kyrgyz Republic, the impact of changes in, or to the more aggressive enforcement of, laws, regulations and government practices in the Kyrgyz Republic, 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 agreements governing the Kumtor Project which are inconsistent with the rights of Centerra and Kumtor Gold Company under such

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 General Prosecutor's Office; the risks related to other outstanding litigation affecting the Company's operations in the Kyrgyz Republic; risks related to operational matters and geotechnical issues at the Kumtor Project, including, movement of the Davidov Glacier, waste and ice movement, the continued performance of the buttress, the occurrence of further ground movements, 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 occurrence of any labour unrest or disturbance; the risk that Centerra's workforce may be exposed to widespread epidemic; seismic activity in the vicinity of the Company's operations; long lead times required for equipment and supplies; reliance on a limited number of suppliers for certain consumables, equipment and components; and the Company's ability to attract and retain qualified personnel. See section titled "Risk Factors" in the Company's most recently filed MD&A for December 31, 2016 and Annual Information Form available on SEDAR at www.sedar.com.

There can be no assurances that forward-looking information and statements will prove to be accurate, as many factors and future events, both known and unknown could cause actual results, performance or achievements to vary or differ materially, from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements contained herein or incorporated by reference. Accordingly, all such factors should be considered carefully when making decisions with respect to Centerra, and prospective investors should not place undue reliance on forward looking information. Forward-looking information is as of March 6, 2017. Centerra assumes no obligation to update or revise forward looking information to reflect changes in assumptions, changes in circumstances or any other events affecting such forward-looking information, except as required by applicable law.

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

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