

centerra**GOLD**



NEWS RELEASE

Centerra Reports on Status of Key Kumtor Environmental Permits

Toronto, Canada, June 4, 2015: Centerra Gold Inc. (TSX: CG) reports that its Kumtor operations received one-month extensions to July 4, 2015 of its permits for emissions into the atmosphere and waste disposal into the tailings management facility. As previously reported, the Kyrgyz Republic State Agency of Environmental Protection and Forestry (SAEPF) continues to review Kumtor's annual mine plan and has a further period of three months (from June 3, 2015) to complete its review. SAEPF has advised Kumtor that it is not necessary to suspend operations while it continues its review of Kumtor's annual mine plan.

As previously discussed in our news release of April 30, 2015, the process of obtaining approval of Kumtor's annual mine plan and other permits required for the operation of the Kumtor project has been impacted by concerns from SAEPF regarding the potential application of the Kyrgyz Water Code to the Kumtor operations. The Kyrgyz Republic government has proposed draft amendments to the Water Code to the Kyrgyz Republic parliament that, if adopted, would alleviate this concern. We understand that parliament will be considering the proposed amendments in the month of June.

Centerra and Kumtor dispute SAEPF's interpretation of the Water Code, including on the basis that the stabilization and non-discrimination provisions contained in the project agreements governing the Kumtor project and the laws of the Kyrgyz Republic which implemented these project agreements support the view that the Water Code does not apply to the Kumtor operations. Furthermore, the project agreements provide that Kumtor is entitled to receive all licenses, permits and approvals as are necessary or convenient for the operation of the Kumtor project. The annual mine plan submitted by Kumtor is consistent with its past operations and previously approved mine plans. As such, Centerra and Kumtor believe that the annual mine plan should be approved and all permits provided in the usual course.

Centerra and Kumtor expect to continue discussions with SAEPF to obtain the approval of the annual mine plan and further extensions of the relevant permits. However, there can be no assurances that such approvals and extensions will be received within the required time frame or that a suspension of operations will not be required if they are not forthcoming. Furthermore, there are no assurances that the Kyrgyz parliament will approve the proposed amendments to the Water Code. The absence of relevant approvals and permits could require a suspension of project operations, which would have a material adverse impact on Centerra's future cash flow, earnings, results of operation and financial condition.

Caution Regarding Forward-Looking Information

Information contained in this news release which is not a statement of historical facts may be "forward-looking information" for the purposes of Canadian securities laws. Such forward-looking information involves risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward looking information. The words "believe", "expect", "plan", "continue", "may", "will", and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things: Centerra's intentions to continue working with SAEPF to obtain the necessary approvals and permits for the operation of the

Kumtor mine; and Centerra's understanding that the proposed amendments to the Kyrgyz Water Code will be considered by Parliament in the month of June.

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: strategic, legal, planning and other risks, including: political risks associated with Centerra's operations in the Kyrgyz Republic; resource nationalism; the impact of changes in, or to the more aggressive enforcement of, laws, regulations and government practices in the Kyrgyz Republic; 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 Kumtor under the Kumtor project agreements; the ability of Centerra and its subsidiaries to enforce its legal rights; and the presence of a significant shareholder that is a state-owned company of the Kyrgyz Republic. See "Risk Factors" in the Company's 2014 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 June 4, 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 is a North-American based gold mining company focused on operating, developing, exploring and acquiring gold properties in Asia, Canada 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.

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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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