centerra GOLD

Notice of Annual and Special Meeting of Shareholders

and

Management Information Circular

March 29, 2017

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March 29, 2017

Dear Shareholder,

It is my pleasure to invite you to attend the annual and special meeting of shareholders of Centerra Gold Inc. ("Centerra"), which will be held on Tuesday, May 2, 2017, at 11:00 a.m. (Toronto time) at the offices of Ernst & Young LLP, Ernst & Young Tower, 222 Bay Street, 30th Floor, Toronto, Ontario, Canada. It is an opportunity for the directors and management of Centerra to meet with you, our shareholders. At the meeting, we will report to you on Centerra's performance in 2016 and our plans for the future.

Included in this package are Centerra's notice of meeting, management information circular and the 2016 annual report. These materials describe the business to be dealt with at the meeting and provide you with additional information about Centerra and its directors and officers. Please exercise your rights as a shareholder either by attending the meeting and voting in person or by using the enclosed request for voting instructions or form of proxy.

I thank you for your interest and confidence in Centerra and I urge you to exercise your right to vote.

Sincerely,

Stephen A. Lang
Chair of the Board of Directors

centerra GOLD

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

Dear Shareholder:

NOTICE IS HEREBY GIVEN THAT the annual and special meeting of the shareholders (the “Meeting”) of Centerra Gold Inc. (“Centerra”) will be held on Tuesday, May 2, 2017 at 11:00 a.m. (Toronto time) at the offices of Ernst & Young LLP, Ernst & Young Tower, 222 Bay Street, 30th Floor, Toronto, Ontario, Canada, in order for shareholders of Centerra to:

1. receive the audited financial statements for the year ended December 31, 2016 and the auditors’ report thereon;
2. elect directors for the ensuing year;
3. appoint auditors for the ensuing year and authorize the directors to fix the remuneration to be paid to the auditors;
4. consider and, if thought appropriate, pass a resolution, with or without variations, approving Centerra’s Amended and Restated Restricted Share Unit Plan; and
5. consider and, if thought appropriate, pass a resolution, with or without variations, approving Centerra’s Employee Share Purchase Plan; and
6. transact such other business as may properly come before the Meeting, or any postponement or adjournment thereof.

The Board of Directors of Centerra has fixed the close of business on Friday, March 24, 2017 as the record date to determine which shareholders are entitled to receive notice of and to vote at the Meeting, or any postponement or adjournment thereof.

BY ORDER OF THE BOARD OF DIRECTORS

Wendy Yu
Assistant Corporate Secretary
Toronto, Ontario, Canada
March 29, 2017

CENTERRA GOLD INC.

MANAGEMENT INFORMATION CIRCULAR

March 29, 2017

SOLICITATION OF PROXIES AND VOTING INSTRUCTIONS

The information contained in this management information circular (the "Circular") is furnished in connection with the solicitation of proxies from holders of common shares ("Shares") of Centerra Gold Inc. ("Centerra" or the "Corporation"). These proxies will be used at the annual and special meeting of shareholders of the Corporation to be held on Tuesday, May 2, 2017 at 11:00 a.m. (Toronto time) at the offices of Ernst & Young LLP, Ernst & Young Tower, 222 Bay Street, 30th Floor, Toronto, Ontario, Canada or any adjournment or postponement thereof (the "Meeting"), for the purposes set forth in the accompanying notice of Meeting. It is expected that the solicitation will be made primarily by mail, but proxies and voting instructions may also be solicited personally or by telephone by employees of the Corporation. **The solicitation of proxies by this Circular is being made by or on behalf of the management of the Corporation and the total cost of the solicitation of proxies will be borne by the Corporation.** The information contained in this Circular is given as at March 29, 2017 and in Canadian dollars, except where otherwise noted.

VOTING INFORMATION

How to Vote

You are entitled to vote at the Meeting if you were a holder of Shares of Centerra at the close of business on March 24, 2017, the record date for the Meeting. Each Share is entitled to one (1) vote. How you vote depends on whether you are a registered shareholder or a non-registered shareholder.

Registered Shareholders

You are a registered shareholder if your Shares are registered in your own name. As a registered shareholder, you may attend the Meeting and vote in person. If you are a registered shareholder and will not attend the Meeting, or if your Shares are registered in the name of a corporation, your Shares may still be counted by authorizing another individual, called a proxyholder, to attend the Meeting and vote your Shares. Any legal form of proxy may be used and a form of proxy is provided with this Circular.

Non-Registered Shareholders

You are a non-registered shareholder if you beneficially own Shares that are registered in the name of an intermediary such as a bank, trust company, securities broker or other nominee, or in the name of a depository of which the intermediary is a participant, and therefore do not have Shares registered in your own name.

In accordance with applicable securities laws, Centerra has distributed copies of the notice of Meeting, this Circular and Centerra's annual report for the year-ended December 31, 2016 (the "Meeting Materials") to intermediaries for onward distribution to non-registered shareholders who have not waived their right to receive them. The Corporation does not send proxy-related materials directly to non-registered shareholders and is not relying on the notice-and-access provisions of securities laws for delivery to either registered or non-registered shareholders. Typically, intermediaries will use a service company (such as Broadridge Investor Communications) to forward Meeting Materials to non-registered shareholders. The Corporation has elected to pay for the delivery of proxy-related materials to objecting non-registered shareholders by intermediaries. Meeting Materials will include either your intermediary's voting instruction form or a form of proxy stamped by the intermediary limited to the number of Shares beneficially owned by you, but that is otherwise not complete. The purpose of these documents is to permit you to direct the voting of the Shares you beneficially own. You should carefully follow the instructions set out in your intermediary's voting instruction form or form of proxy, as the case may be.

If you are a non-registered shareholder, you may attend the Meeting and vote in person provided you insert your own name in the space provided on the voting instruction form or form of proxy to appoint yourself as the proxyholder and follow your intermediary's instructions for return of the executed form. No other part of the voting instruction form or form of proxy should be completed as your vote will be taken at the Meeting.

Voting by Proxy

Appointment of Proxies

The persons named in the voting instruction form or the form of proxy you received are representatives of management of the Corporation. **You have the right to appoint another person (who need not be a shareholder) to represent you at the Meeting. You may appoint another person by inserting that person's name in the blank space set out in the form of proxy provided or by completing another proper form of proxy.** By properly completing and returning a voting instruction form or form of proxy, you are authorizing the individual named in the form to attend the Meeting and to vote your Shares. To be valid, proxies must be deposited with our transfer agent, CST Trust Company ("CST") at P.O. Box 721, Agincourt, Ontario, Canada, M1S 0A1 (Fax: (416) 368-2502; or toll-free within North America 1-866-781-3111; registered holders may also deposit their proxies by e-mail to proxy@canstockta.com) no later than 11:00 a.m. (Toronto time) on Friday, April 28, 2017 or, if the Meeting is postponed or adjourned, on a day other than a Saturday, Sunday or holiday which is at least 24 hours before the time of such reconvened meeting. Late proxies may be accepted or rejected by the Chairman of the Meeting in his sole discretion; the Chairman of the Meeting is under no obligation to accept or reject a late proxy. The Chairman of the Meeting may extend or waive the proxy cut-off time in his sole discretion and without notice.

Exercise of Discretion by Proxies

The Shares represented by your voting instruction form or form of proxy must be voted or withheld from voting in accordance with your instruction on the form and if you specify a choice with respect to any matter to be acted upon, your Shares will be voted accordingly. If you have not specified how to vote on a particular matter, if any amendments are proposed to any matter, or if other matters are properly brought before the Meeting, then, in each case, your proxyholder can vote your Shares as your proxyholder sees fit.

If you properly complete and return your voting instruction form or form of proxy appointing representatives of management of the Corporation as your proxy, but do not specify how you wish the votes to be cast, your Shares will be voted: (i) FOR the election of directors nominated by management; (ii) FOR the appointment of KPMG LLP as independent auditors for 2017 and the authorization of the directors to fix their remuneration; (iii) FOR the approval of Centerra's Amended and Restated Share Unit Plan, with or without variations; (iv) FOR the approval of Centerra's

Employee Share Purchase Plan, with or without variations; and (v) at the discretion of management, on any matter which may properly come before the Meeting.

Revocation

If you are a registered shareholder and have provided a proxy, you may revoke your proxy by: (i) completing and signing another form of proxy bearing a later date and depositing it with CST at P.O. Box 721, Agincourt, Ontario, Canada, M1S 0A1 (Fax: (416) 368-2502) or toll-free within North America 1-888-781-3111; registered holders may also deposit their proxies by e-mail to proxy@canstockta.com) no later than 11:00 a.m. (Toronto time) on Friday, April 28, 2017 or, if the Meeting is postponed or adjourned, on a day other than a Saturday, Sunday or holiday which is at least 24 hours before the time of such reconvened meeting; (ii) depositing a document that is signed by you (or by someone you have properly authorized to act on your behalf) stating that you wish to revoke your proxy, to the Corporate Secretary of the Corporation at the registered office of the Corporation (1 University Avenue, Suite 1500, Toronto, Ontario, Canada, M5J 2P1) at any time up to and including the last business day preceding the day of the Meeting, or any postponement or adjournment thereof; (iii) notifying the Chair of the Meeting prior to the commencement of the Meeting or any postponement or adjournment of the Meeting that you have revoked your proxy; or (iv) following any other procedure that is permitted by law.

If you are a non-registered shareholder, you may revoke your voting instruction form at any time by following instructions given by your intermediary.

VOTING SHARES

Centerra is authorized to issue an unlimited number of Shares, class A non-voting shares and preference shares with no par value. On March 29, 2017, the Corporation had 291,278,437 Shares issued and outstanding. The directors have fixed March 24, 2017 as the record date for the Meeting. Only holders of Shares who are on record on that date will be entitled to vote on the matters proposed to come before the Meeting on the basis of one (1) vote for each Share held.

PRINCIPAL HOLDERS OF VOTING SECURITIES

To the knowledge of the directors and officers of the Corporation, the only persons or companies who beneficially own, or exercise control or direction over, directly or indirectly, voting securities of the Corporation carrying more than 10% of the voting rights attached to any class of voting securities are indicated below:

Name	Number of Shares	Percentage
Kyrgyzaltyn JSC	77,401,766	26.57%
Van Eck Associates Corporation	45,089,622	15.48%

Kyrgyzaltyn JSC (“Kyrgyzaltyn”) is a joint stock company formed under the laws of the Kyrgyz Republic, 100% of whose shares are owned by the Government of the Kyrgyz Republic (the “KR Government”). Pursuant to a Restated Shareholders’ Agreement dated as of June 6, 2009 entered into by Kyrgyzaltyn and Centerra (the “Restated Shareholders Agreement”), so long as Kyrgyzaltyn and its affiliates continue to hold 10% or more of Centerra’s outstanding Shares, Centerra has agreed to include in Centerra’s proposed slate of directors nominated for election, at each annual or special meeting at which directors are to be elected, two board nominees designated by Kyrgyzaltyn, at least one of whom must be independent of the KR Government within the meaning of applicable securities laws in Canada. Should Kyrgyzaltyn and its affiliates own less than 10% but more than 5% of Centerra’s outstanding Shares, Centerra has agreed to include in its proposed slate of directors one nominee of Kyrgyzaltyn who shall not be required to be independent. Messrs. Bektur Sagynov and Eduard Kubatov are Kyrgyzaltyn’s nominees to Centerra’s board of directors (the “Board”).

Centerra also entered into a separate agreement with Kyrgyzaltyn providing that Centerra would use commercially reasonable efforts to have at least one representative of Kyrgyzaltyn elected as Chair of the board of directors of

Centerra's wholly-owned subsidiary, Kumtor Gold Company ("KGC"), as well as a member of the KGC Management Committee and a member of the KGC Auditing Committee. KGC directly owns 100% of the Kumtor mine, which is located in the Kyrgyz Republic.

Kyrgyzaltyn purchases all of the gold produced from the Kumtor mine for processing at its refinery in the Kyrgyz Republic pursuant to a Restated Gold and Silver Sale Agreement (the "Sales Agreement") between Kyrgyzaltyn and KGC. Under the Sales Agreement, Kyrgyzaltyn is required to pay for gold within 12 calendar days of shipment from the Kumtor mill at a price that is fixed based on the London PM fixed price of gold on the London Bullion Market. The obligations of Kyrgyzaltyn owing to KGC are partially secured by a pledge of 2,850,000 shares of Centerra held by Kyrgyzaltyn. KGC pays to Kyrgyzaltyn a management fee of US$1.00 per ounce of gold produced.

For further information regarding the commercial arrangements with Kyrgyzaltyn, please see the Corporation's most recently filed annual management discussion and analysis available on www.sedar.com.

BUSINESS TO BE TRANSACTED AT THE MEETING

Financial Statements

The audited financial statements of Centerra for the period ended December 31, 2016 and the auditors' report thereon will be placed before the Meeting. These financial statements, together with the auditors' report thereon, are contained in the Meeting Materials included with this Circular.

Election of Directors

The Board has approved the nomination of the individuals named below for election as directors of the Centerra. All of the nominees are currently directors of Centerra and have been since the dates indicated below and each of the nominees, other than Mr. Perron, was elected to his or her present term as a director by the shareholders of the Corporation at the annual meeting of the Corporation's shareholders held on May 17, 2016. Mr. Perron was appointed to the Board of Directors on October 20, 2016 at the time of closing of Centerra's acquisition of Thompson Creek Metals Company Inc. ("TCM"). Following almost seven years on the Board, Mr. Raphael Girard has decided to retire and will not be standing for re-election to the Board at the Meeting. The Board benefited greatly from his expertise on, among other things, government relations, corporate social responsibility and sustainability matters and deeply appreciate his service.

As noted above, Kyrgyzaltyn is entitled to designate two Board nominees pursuant to the 2009 Restated Shareholders Agreement and has designated Mr. Kubatov and Mr. Sagynov as its nominees.

Management does not believe that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason before the Meeting, the management representatives designated in the enclosed form of proxy reserve the right to nominate and vote for another nominee at their discretion, unless otherwise instructed. **The form of proxy permits shareholders to vote for or withhold from voting for each nominee.** Each director elected will hold office until the next annual meeting or until his or her successor is elected or appointed.

Majority Voting and Advance Notice Nominations

In accordance with the rules of the Toronto Stock Exchange (the "TSX"), the Board has adopted a majority voting policy pursuant to which, at uncontested shareholder meetings, those director nominees receiving more withhold votes than for votes will be required to immediately tender their resignation to the Board and the Board will be required to accept or reject such resignation within 90 days. In addition, in order to ensure that all shareholders have sufficient time and information to properly review all director nominees, the Corporation's by-laws require that all director nominations be made with sufficient notice and provide certain prescribed information concerning such director nominees. For further information, please refer to "Report on Corporate Governance – Majority Voting and Advance Notice Nominations."

Board Nominee Information

The following tables set out the name and biographical information of each nominee, including present principal occupation, principal occupations and directorships during the past five years and whether or not the nominee has been determined by the Board to be independent under Canadian securities laws. The table below also sets out for each nominee, as of March 29, 2017, the numbers of Shares, Deferred Share Units ("DSUs"), Restricted Share Units ("RSUs"), Performance Share Units ("PSUs") and stock options ("Options") held by the nominees, and the value of securities held as of the date hereof (in Canadian dollar figures). The numbers of DSUs, RSUs, and PSUs have been rounded down to the nearest whole number. The table below also sets out the applicable minimum ownership requirements (in Canadian dollar figures), the appointment date to Centerra's Board, 2016 Board and committee meeting attendance, and other public company directorships.

The Board recommends that shareholders vote in favour of each of the following nominees as directors of Centerra. Unless otherwise instructed, the management representatives designated in the enclosed form of proxy intend to vote **FOR** the election as directors of the proposed nominees whose names are set out below.

Richard W. Connor, 67
Columbine Valley, Colorado, U.S.A.

Independent

Director since
June 5, 2012

Mr. Connor has over 25 years of experience as an audit partner with KPMG LLP in the United States, principally for publicly traded clients in a variety of industries, including Energy and Mining, and Media and Telecommunications. Mr. Connor retired from KPMG LLP in 2009, where he served as the Managing Partner of the KPMG Denver Office from 1996 to 2008. Mr. Connor was elected to the firm's partnership in 1980 and was appointed to the firm's SEC Reviewing Partners Committee in 1987, where he served until his retirement. Mr. Connor earned his BS degree in Accounting from the University of Colorado.

SECURITIES OWNERSHIP(1)(2)

Shares	Options	DSUs	RSUs	PSUs	Total Value
15,000	0	45,802	0	0	$461,792

Minimum ownership(3): $420,000 by June 17, 2017
$480,000 by January 1, 2022

BOARD / COMMITTEE	ATTENDANCE
Board	10 / 11
Audit (Chair)	7 / 7
Risk	5 / 5
Special	8 / 8

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)

Antero Resources Corporation (Audit)
Antero Resources Midstream Management (Audit)
Zayo Group Holdings Inc. (Audit)

Eduard Kubatov, 45
Bishkek, Kyrgyz Republic

Independent

Director since
March 10, 2016

Mr. Kubatov has over 10 years of experience working with multi-national mining companies. He is currently a director of the Kyrgyz branch of Robust Resources, an Australian based mining company. Prior to that, he has served as general director of Talas Gold Mining Company, general director of Polyus Gold Kyrgystan and general director of Jany Jyldyz Gold LLC. Mr. Kubatov received a law degree from the Kyrgyz State National University Law School.

SECURITIES OWNERSHIP(1)(2)

Shares	Options	DSUs	RSUs	PSUs	Total Value
0	0	0	3,676	0	$27,129

Minimum ownership(3): $420,000 by March 10, 2021
$480,000 by January 1, 2022

BOARD / COMMITTEE	ATTENDANCE
Board	7 / 7
Nominating and Corporate Governance Committee	3 / 3
Sustainable Operations Committee	3 / 3

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)

None

Nurlan Kyshtobaev, 35
Bishkek, Kyrgyz Republic

Independent

Director since
May 17, 2016

Mr. Kyshtobaev is currently a partner at the Grata Law Firm in Bishkek, Kyrgyz Republic where he leads the banking & finance team in the Kyrgyz Republic and Tajikistan. Prior to joining Grata, he was a lawyer at the Office of the EBRD General Counsel, where he advised bankers on lending, including direct investments in countries in which the EBRD operates. He also worked for the Moscow offices of Chadbourne & Parke LLP and Latham & Watkins LLP, where he advised clients on a broad range of Russian law issues. Mr. Kyshtobaev received a diploma in international public law from the Moscow State Institute of International Relations.

SECURITIES OWNERSHIP(1)(2)

Shares	Options	DSUs	RSUs	PSUs	Total Value
0	0	0	3,676	0	$27,129

Minimum ownership(3): $420,000 by Mary 17, 2021
$480,000 by January 1, 2022

BOARD / COMMITTEE	ATTENDANCE
Board	6 / 6
Human Resources and Compensation Committee	3 / 3
Risk Committee	3 / 3

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)
None

Stephen A. Lang, 61
Columbia, Missouri
U.S.A.

Independent

Director since
June 17, 2008

Mr. Lang was appointed a director of Centerra in June 2008 and was appointed Chair in May 2012. Mr. Lang formerly served as President and Chief Executive Officer of Centerra and has over 30 years of experience in the mineral sector including engineering, development and production in gold, coal, platinum group metals and copper operations. Mr. Lang joined Centerra in 2007 as Vice President and Chief Operating Officer and was appointed President and Chief Executive Officer in June of 2008. Prior to joining Centerra, he was employed in increasingly senior roles with Stillwater Mining Company, Barrick Gold Corporation, Rio Algom, Limited, Kinross Gold Corporation/Amax Gold Corporation and Santa Fe Pacific Gold Corporation. Mr. Lang earned a Bachelor of Science degree in Mining Engineering from the University of Missouri-Rolla and a Masters degree in Mining Engineering from the University of Missouri-Rolla.

SECURITIES OWNERSHIP(1)(2)

Shares	Options	DSUs	RSUs	PSUs	Total Value
85,000	227,249	0	53,149	0	$1,258,049

Minimum ownership(3): $930,000 by January 1, 2018

BOARD / COMMITTEE	ATTENDANCE
Board (Chair)	11 / 11
Risk Committee (Chair)	5 / 5
Sustainable Operations Committee	6 / 6

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)
International Tower Hill Mines Ltd. (Compensation, Technical)
Timmins Gold Corp. (Technical, Finance, Corporate Governance)

Michael Parrett, 65
Richmond Hill, Ontario, Canada

Independent

Director since May 8, 2014

Mr. Parrett is an independent consultant and corporate director. He currently serves on the board of directors of Stillwater Mining Company. Previously, he served as a director of Pengrowth Energy Corporation from 2004 to 2016, Gabriel Resources Limited from 2003 to 2010 (including as Chairman from 2005 to 2010) and Fording Canadian Coal Trust from 2003 to 2008. Prior to that, Mr. Parrett was the Chief Financial Officer and the President of Rio Algom Limited and Chief Financial Officer of Falconbridge Limited. Mr. Parrett is a Chartered Professional Accountant and received his Bachelor of Arts degree in Economics from York University.

SECURITIES OWNERSHIP(1)(2)

Shares	Options	DSUs	RSUs	PSUs	Total Value
7,598	0	0	37,892	0	$336,958

Minimum ownership(3): $420,000 by May 8, 2019
$480,000 by January 1, 2022

BOARD / COMMITTEE	ATTENDANCE
Board	11 / 11
Audit Committee	4 / 4
Human Resources and Compensation Committee	5 / 5
Special Committee (Chair)	8 / 8

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)

Stillwater Mining Company (Audit, Corporate Governance and Nominating, Compensation)

Jacques Perron, 55
Denver, Colorado U.S.A.

Non-Independent

Director since October 20, 2016

Mr. Perron was appointed a director of Centerra in October 2016, following the closing of the acquisition of Thompson Creek. Mr. Perron formerly served as President and Chief Executive Officer and as a director of Thompson Creek. His previous senior management positions include serving as President and Chief Executive Officer of St Andrew Goldfields Ltd. from 2007 to 2013, Senior Vice President of IAMGOLD Corporation from 2006 to 2007 and Vice President, Canada of Cambior Inc. from 2004 to 2006. From 1984 to 2004, Mr. Perron held a variety of increasingly senior management positions with Cameco Inc., Placer Dome Canada Limited, Breakwater Resources Ltd., Cambior Inc., JS Redpath Ltd. and Noranda Inc. Mr. Perron has also been a director of the Canadian Mineral Industry Education Foundation since 2007. Mr. Perron has a Bachelor of Science degree in Mining Engineering from l'École Polytechnique de Montréal.

SECURITIES OWNERSHIP(1)(2)

Shares	Options	DSUs	RSUs	PSUs	Total Value
91,060	39,520	0	0	0	$672,023

Minimum ownership(3): $420,000 by October 20, 2021
$480,000 by January 1, 2021

BOARD / COMMITTEE	ATTENDANCE
Board	2 / 2
Risk Committee	1 / 1
Sustainable Operations Committee	1 / 1

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)

Osisko Gold Royalties Ltd.

Scott G. Perry, 40
Toronto, Ontario, Canada

Non-Independent

Director since
January 1, 2016

Mr. Perry has over 20 years of international experience in the mining industry and was appointed the Corporation's Chief Executive Officer as of November 1, 2015. Mr. Perry was appointed as a director of Centerra on January 1, 2016. Prior to joining Centerra, he served as Chief Executive Officer & Director of AuRico Gold and, prior to that, he acted as Executive Vice President & Chief Financial Officer of AuRico Gold. Prior to joining AuRico Gold, Mr. Perry held increasingly senior financial roles with Barrick Gold in Australia, the United States, and Russia & Central Asia. Mr. Perry holds a Bachelor of Commerce degree from Curtin University, a post-graduate diploma in applied finance and investment and a CPA designation.

SECURITIES OWNERSHIP[1][2]

Shares	Options	DSUs	RSUs	PSUs	Total Value
0	301,462	0	0	371,702	$2,760,002

Minimum ownership[3]: $1,800,000 by November 2, 2021

BOARD / COMMITTEE MEETING	**ATTENDANCE**
Board	11 / 11

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)
Aurico Metals Inc.

Sheryl K. Pressler, 66
Atlanta, Georgia
U.S.A.

Independent

Director since
May 7, 2008

Ms. Pressler is currently an investment and strategy consultant in Atlanta, Georgia. From 2000 to 2001, she served as Chief Executive Officer of Lend Lease Real Estate Investments-United States. From 1994 to 2000, she served as Chief Investment Officer of California Public Employees' Retirement System. Prior thereto, she was responsible for the investment management of the retirement funds for the McDonnell Douglas Corporation. Ms. Pressler received a Bachelor of Arts degree from Webster University and a Master of Business Administration degree from Washington University. Ms. Pressler served on the board of directors of Stillwater Mining Company from 2002 until 2013 and currently serves on the board of trustees of a number of funds managed by Voya Investment Management.

SECURITIES OWNERSHIP[1][2]

Shares	Options	DSUs	RSUs	PSUs	Total Value
33,881	0	32,138	0	0	$538,870

Minimum ownership[3]: $480,000 by January 1, 2022

BOARD / COMMITTEE MEETING	**ATTENDANCE**
Board	11 / 11
Audit Committee	7 / 7
Nominating & Corporate Governance Committee (Chair)	5 / 5
Risk Committee	5 / 5
Special Committee	8 / 8

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)
None

Terry V. Rogers, 70
McCall, Idaho,
U.S.A.

Independent

Director since
February 1, 2003

Mr. Rogers served as Senior Vice President of Cameco Corporation ("Cameco") until his retirement in June 2007 and has more than 30 years' experience in the coal, gold, lignite and uranium mining businesses. Prior to being appointed Senior Vice President and Chief Operating Officer of Cameco in 2003, he served as President of Kumtor Operating Company in the Kyrgyz Republic. Prior to his association with Cameco, Mr. Rogers served in increasingly senior roles with Morrison-Knudsen Company, Jerooy Gold Company (as President), MK Gold Company in the Kyrgyz Republic, and American Girl Mining Joint Venture with MK Gold. Mr. Rogers received an Associate degree in Applied Science from the Superior Technical Institute in Wisconsin in 1972. In 2011, Mr. Rogers received his Chartered Director designation from The Directors College (a joint venture of McMaster University and The Conference Board of Canada). Mr. Rogers also obtained the Human Resources and Compensation Committee Certified designation from The Directors College in 2013.

SECURITIES OWNERSHIP(1)(2)

Shares	Options	DSUs	RSUs	PSUs	Total Value
15,237	0	62,722	0	0	$668,611

Minimum ownership(3): $480,000 by January 1, 2022

BOARD / COMMITTEE MEETING	ATTENDANCE
Board	11 / 11
Human Resources & Compensation Committee (Chair)	5 / 5
Sustainable Operations Committee	6 / 6
Special Committee	8 / 8

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)

Hecla Mining Company (Audit, Compensation, Health, Safety and Environment, Technical)

Bektur Sagynov, 36
Bishkek, Kyrgyz Republic

Non-Independent

Director since
March 10, 2016

Mr. Sagynov is currently the Deputy Chairman on economics, finance and investment of Kyrgyzaltyn JSC. Prior to his current position he worked as an expert of the consulting group for negotiations with Centerra, and as an expert in the energy and mineral resources division of the office of the Prime Minister of the Kyrgyz Republic. Mr. Sagynov has a Master of Business Administration from Ritsumeikan Asia Pacific University in Japan and a Bachelor of Business Administration from the American University of Central Asia.

SECURITIES OWNERSHIP(1)(2)

Shares	Options	DSUs	RSUs	PSUs	Total Value
0	0	0	3,676	0	$27,129

Minimum ownership(3): $420,000 by March 10, 2021
$480,000 by January 1, 2022

BOARD / COMMITTEE MEETING	ATTENDANCE
Board	8 / 8
Risk Committee Committee	3 / 3
Sustainable Operations Committee	3 / 3

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)

None

Mr. Walter is currently Chairman of Nunavut Iron Ore, Inc. and serves as Vice Chair of Centerra. From 2002 until 2007, Mr. Walter was a director and officer of Dynatec Corporation, initially as Vice-Chairman and from 2005 as President and CEO. Prior thereto his career included serving as President of Sherritt Inc., President and CEO of Plaintree Systems Inc., and Managing Director and Co-Head of the Media, Telecom & Technology investment and corporate banking group at BMO Nesbitt Burns. Mr. Walter also served as Vice-President of Horsham Corporation and was a partner in the predecessor law firm to Davies Ward Phillips & Vineberg LLP. Mr. Walter received his Juris Doctor (J.D.) and Master of Business Administration degrees from York University in 1981. He received his PhD in law in 1985 from the University of Cape Town. Mr. Walter is a director of the Westaim Corporation and serves on the National Advisory Board of The Salvation Army.

Bruce V. Walter[(4)], 59
Toronto, Ontario,
Canada

Non-Independent

Director since
May 7, 2008

SECURITIES OWNERSHIP[(1)(2)]

Shares	Options	DSUs	RSUs	PSUs	Total Value
15,000	200,000	75,880	29,438	0	$1,002,553

Minimum ownership[(3)]: $840,000 by May 17, 2021

BOARD / COMMITTEE	**ATTENDANCE**
Board	10 / 11
Sustainable Operations Committee (Chair)	6 / 6

OTHER PUBLIC COMPANY DIRECTORSHIPS (COMMITTEES)

Westaim Corporation (Audit, Human Resources and Compensation, Nominating and Corporate Governance)

(1) Information about Shares owned, or over which control or direction is exercised, directly or indirectly has been provided by the respective nominee.

(2) Calculation of the total value of Centerra securities for all directors was determined in accordance with the director share ownership policy of the Corporation which provides that (a) the value of Shares will be determined as the higher of cost and current fair market value, and (b) the value for DSUs and RSUs, will be the greater of the fair market value on date of award/grant and current fair market value. Current fair market value was determined using the five trading day-volume weighted average price of a Centerra Share on the TSX as of March 28, 2017, which was $7.38. Mr. Lang's valuation does not include PSUs as he is subject to the share ownership requirement for directors, which does not count PSUs towards share ownership. The value of Options held by directors are also not included in these values.

(3) The minimum share ownership requirement for directors is three times their annual retainer (from time to time) to be achieved within a period of five years of becoming a director. When a director receives an increase in his/her annual retainer, which would result in an increase to his/her ownership requirement, the director has five years from the date of such increase to achieve the incremental share ownership requirement. Effective January 1, 2017, the annual retainer for non-executive directors (other than the chairman) was increased from $140,000 to $160,000 (with $20,000 of such amount to be taken in RSUs or DSUs). Accordingly, directors at such time were given five years from January 1, 2017 to comply with the new share ownership requirement. Mr. Lang's initial share ownership requirement upon his appointment as Chair (in 2012) was set as $836,400. Effective January 1, 2013, his retainer was increased and accordingly his share ownership requirement is now $930,000. Mr. Walter's employment agreement with Centerra was terminated as of May 17, 2016 and at that time his share ownership requirement was set at $840,000. For a further description of the minimum ownership expectations of directors, please refer to "Directors Share Ownership Policy". Mr. Perry is subject to the minimum share ownership requirements for executives.

(4) Mr. Walter was appointed Vice Chair of Centerra on June 17, 2008; however his employment agreement was terminated as of May 17, 2016. Since that time, Mr. Walter has been remunerated for his services on the Board and entitled to receive DSUs under the Directors Deferred Share Unit Plan. Prior to May 17, 2016, Mr. Walter received (i) employment remuneration, (ii) DSUs under the Corporation's Vice Chair Deferred Share Unit Plan, and (iii) RSUs under the Corporation's RSU Plan.

2016 Shareholder Support

The table below sets out the voting results for the nominees at the Company's 2016 annual meeting of shareholders. Centerra notes that Kyrgyzaltyn, the Corporation's largest shareholder, withheld its votes from the election of all director nominees other than Messrs. Kubatov, Kyshtobaev and Sagynov. The director nominees, other than Messrs. Kubatov, Kyshtobaev and Sagynov received, on average, over 98% of the votes cast in favour of their election (excluding the votes attached to the shares of Kyrgyzaltyn).

Nominee	Votes For	Votes For (%)	Votes Withheld	Votes Withheld (%)	Votes For Excluding Kyrgyzaltyn Vote (%)
Richard W. Connor	126,837,770	60.29	83,555,975	39.71	95.37
Eduard Kubatov	209,147,645	99.41	1,246,100	0.59	99.06
Nurlan Kyshtobaev	209,148,935	99.41	1,244,810	0.59	99.06
Stephen A. Lang	129,372,703	61.49	81,021,042	38.51	97.28
Michael Parrett	132,490,821	62.97	77,902,924	37.03	99.62
Jacques Perron	n/a	n/a	n/a	n/a	n/a
Scott G. Perry	129,747,938	61.67	80,645,807	38.33	97.56
Sheryl K. Pressler	132,396,234	62.93	77,997,511	37.07	99.55
Terry V. Rogers	131,634,888	62.57	78,758,857	37.43	98.98
Bektur Sagynov	206,847,322	98.31	3,546,423	1.69	97.33
Bruce V. Walter	129,440,721	61.52	80,953,024	38.48	97.33

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To Centerra's knowledge, no nominee for director is or has been in the last 10 years a director, chief executive officer or chief financial officer of any company that: (a) was subject to an order that was issued while the nominee was acting in that capacity, or (b) was subject to an order that was issued after the nominee ceased to act in that capacity and which resulted from an event that occurred while that person was acting in that capacity. For the purposes of the foregoing, "order" means (i) a cease trade order, (ii) an order similar to a cease trade order, or (iii) an order that denied the relevant company access to any exemption under securities legislation, which was in effect for a period of more than 30 consecutive days.

Other than as noted below, to Centerra's knowledge, no nominee for director: (a) is or has been in the last 10 years a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) has in the last 10 years become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

Mr. Perry was a director of Lachlan Star Limited, a mining company based in Australia. He ceased being a director in October 2014. In February 2015, Lachlan Star Limited entered into voluntary administration. Mr. Parrett was a director of Mongolia Minerals Corporation (a private company involved in mining investments in Mongolia) which was granted creditor protection under the *Companies Creditors' Arrangement Act* ("CCAA") on June 16, 2014. The CCAA proceedings were terminated in February 2015 and Mr. Parrett resigned on February 20, 2015. Mr. Lang was a director of Allied Nevada Gold Corp. which together with certain of its domestic direct and indirect subsidiaries, filed voluntary petitions for relief under chapter 11 of the U.S. Bankruptcy Code ("Chapter 11") in the United States Bankruptcy Court for the District of Delaware on March 10, 2015. The Company changed its name to Hycroft Mining Corporation and emerged from Chapter 11 in October 2015.

Appointment of Auditors

It is proposed that the KPMG LLP be re-appointed as auditor of the Corporation to hold office until the next annual meeting of shareholders and that the Board be authorized to fix their remuneration. KPMG LLP was first appointed auditor of the Corporation on May 10, 2005.

Audit, tax and other fees billed by KPMG LLP in respect of the financial years ended December 31, 2016 and 2015 were as follows:

Fee Type	2016	2015
Audit Fees	$965,000	$827,750
Audit Related Fees(1)	$391,600	$166,320
Tax Fees(2)	$190,600	$44,530
All Other Fees(3)	$226,300	$0
Total	$1,773,500	$1,038,600

(1) Audit Related Fees included interim reviews of Centerra and its Canadian, U.S., Kyrgyz, Turkish and Mongolian subsidiaries.
(2) Tax Fees in 2016 comprised $130,600 for tax compliance, $37,300 for transfer pricing advisory services and $22,700 for tax advisory services in connection with the acquisition of TCM. Tax fees in 2015 comprised tax advisory services.
(3) All non-audit services provided by KPMG LLP must be pre-approved by the Audit Committee. All other fees in 2016 were paid for advisory services in connection with the integration of TCM.

The Board recommends that shareholders vote in favour of the re-appointment of KPMG LLP as auditor of the Corporation, to hold office until the next annual meeting of shareholders, and the authorization of the Board to fix their remuneration. Unless otherwise instructed, the management representatives designated in the enclosed form of proxy intend to vote **FOR** the re-appointment of KPMG LLP as auditor of the Corporation, to hold office until the next annual meeting of shareholders, and to authorize the Board to fix their remuneration.

Approval of Amended and Restated Restricted Share Unit Plan

At the Meeting, Shareholders will be asked to approve an amendment and restatement of the Company's Restricted Share Unit Plan (the "Amended and Restated RSU Plan"). The complete text of the Amended and Restated RSU Plan is set out in Schedule A to this Circular and a summary of the material terms is provided below.

Purpose

The Amended and Restated RSU Plan is part of Centerra's compensation arrangements available for directors, officers and eligible employees of Centerra and its subsidiaries and is intended to encourage directors, officers and eligible employees to participate in the long-term success of the Corporation and to align their interests with the interests of shareholders.

Administration

The Amended and Restated RSU Plan will be administered by the HRC Committee, subject to the HRC Committee reporting to the Board of Directors on all matters requiring approval of the Board of Directors.

Eligibility and Participation

From time to time, the Board will specify the proportion of a director's remuneration that is required to be taken as RSUs under the Amended and Restated RSU Plan, DSUs under the existing DSU Plan (described below), or a combination of both. Under the Amended and Restated RSU Plan and the DSU Plan, directors make annual elections to receive all or a portion of their remuneration in the form of RSUs, DSUs or both.

In addition, executive officers and eligible employees (that is, employees who have a title of vice president or more senior) of the Corporation may elect to receive all or a portion of their annual cash bonus incentive payments in the form of RSUs under the Amended and Restated RSU Plan. Participation by executive officers and eligible employees is voluntary.

Centerra Contribution

For every two RSUs than an executive officer or eligible employee elects to receive in lieu of their annual cash bonus incentive payments in a particular year (other than cash bonuses paid in respect of 2016), the Corporation will issue one additional RSU (i.e. a 50% match).

Election and Vesting

Directors shall elect the percentage of their remuneration to be received in the form of RSUs and DSUs once each calendar year but prior to December 31 in the calendar year preceding the calendar year to which the election will apply. U.S. directors must also elect the redemption date for their RSUs at such time. All RSUs awarded to directors vest immediately and will expire one year following the eligible participant's termination date.

Executive officers and eligible employees must generally elect the percentage of their annual cash bonus incentive payments to be received in the form of RSUs by the end of the first quarter of the calendar year in respect of which such cash bonus incentive payment relates. For the 2016 calendar year, executive officers and eligible employees were permitted to make their elections prior to the end of 2016. RSUs awarded to executive officers and other eligible employees will vest as to 50% on each of the first and second anniversaries of the grant date.

The Amended and Restated RSU Plan also permits discretionary grants of RSUs to directors, executive officers and eligible employees on such terms and conditions as the Board may determine, provided that: (i) the aggregate annual value of any discretionary RSUs granted to any non-employee director of the Corporation or any of its subsidiaries shall not exceed $150,000, and (ii) the number of Shares that may be issued pursuant to discretionary RSUs granted to non-employee directors of the Corporation or any of its subsidiaries may not exceed 1% of the outstanding Shares.

Grant and Redemption

The number of RSUs to be granted to each individual shall be determined by dividing (a) the amount of the director remuneration or the value of compensation to be credited in RSUs on the award date by (b) the market value (the volume weighted average trading price of Centerra's Shares on the TSX for the five trading days immediately prior to the applicable day) of a Share as at the award date, rounded to the nearest whole of a RSU. If a dividend is paid on the Shares, each participant will be allocated additional RSUs equal in value to any dividend paid on the Shares multiplied by the number of RSUs held by the participant, divided by the market value of the Shares.

Upon redemption, Centerra shall: (A) issue from treasury one Share for each whole vested RSU being redeemed; or (B) at the election of the participant, pay to the participant an amount equal to: (i) the number of vested RSUs being redeemed multiplied by (ii) the market value of a Share as at the redemption date minus (iii) applicable withholding taxes; or (C) a combination of (A) and (B), at the election of the participant.

Shares Available and Insider Participation

Under the Amended and Restated RSU Plan, a maximum of four million (4,000,000) Shares are available for issuance, provided that Shares reserved for issuance pursuant to RSUs which are cancelled, terminated without having been redeemed or redeemed for cash, will again be available for issuance under the Amended and Restated RSU Plan, except that Shares underlying a RSU granted prior to December 8, 2016 which are redeemed for cash will not again be available for issuance under the Amended and Restated RSU Plan.

Under no circumstances may the Amended and Restated RSU Plan, together with all of Centerra's other security based compensation arrangements, result in (a) the number of Shares issuable pursuant to the RSUs and/or other units or stock options to any one person exceeding 5% of the outstanding Shares; or (b) the number of Shares (i) issuable to insiders at any time or (ii) issued to insiders within any one year period, exceeding 10% of the outstanding Shares.

In total, together with all of Centerra's other security based compensation arrangements, a total of 18,020,651 Shares, or 6.2% of Centerra's currently outstanding Shares will be available for further grants of awards under the Option Plan, Amended and Restated RSU Plan and Employee Share Purchase Plan as of March 28, 2017. In particular:

- (Amended and Restated) RSU Plan of 4,000,000 Shares (1.3% of currently outstanding Shares), including 3,168,376 Shares (or 1.1% of currently outstanding Shares) available for future grants.
- (Proposed) Employee Share Purchase Plan of 5,000,000 Shares (1.7% of currently outstanding Shares), all of which are available for future issuance.
- Option Plan of 18,000,000 Shares (6.18% of currently outstanding Shares), including 9,852,275 Shares (or 3.4% of currently outstanding Shares) available for future grants.

Termination, Retirement and Other Cessation of Employment

If a director participant in the Amended and Restated RSU Plan ceases to be a director of Centerra (and has no continuing employment relationship with Centerra), that individual will have a period of one year following his or her termination date to redeem RSUs.

If an officer or eligible employee's employment with the Company or any of its subsidiaries ceases as a result of death, disability, retirement, termination without just cause or circumstances constituting constructive dismissal, all RSUs held by such participant shall vest immediately.

If an officer or eligible employee resigns from the Company or one of its subsidiaries or is terminated for just cause, all unvested RSUs held by such participant shall automatically be terminated and vested RSUs held by such participant may be redeemed within one year from such resignation or termination.

If a participant under the Amended and Restated RSU Plan dies, the legal representatives of the estate of such participant may elect the redemption date and whether to receive cash or shares on the redemption.

RSUs are not transferable or assignable other than by will or the laws of descent and distribution.

Amendment Provisions

The HRC Committee has the authority, in the case of specified capital reorganizations affecting the Company, to determine appropriate equitable adjustments, if any, to be made under the Amended and Restated RSU Plan, including adjustments to the number of securities which have been authorized for issuance under the Amended and Restated RSU Plan, the number of securities subject to the RSUs and the number of RSUs outstanding. The HRC Committee also reserves the right to amend, suspend or terminate the Amended and Restated RSU Plan, in whole or in part, at any time, subject to applicable laws and requirements of any stock exchange or governmental or regulatory body (including any requirement for shareholder approval). The HRC Committee may make certain amendments to the Amended and Restated RSU Plan without seeking shareholder approval, such as housekeeping amendments, amendments necessary to comply with law, amendments to meet changes in tax law, amendments to the vesting provisions of the Amended and Restated RSU Plan or any RSU, amendments to the termination or early termination provisions of the Amended and Restated RSU Plan or any RSU and amendments necessary to suspend or terminate the Amended and Restated RSU Plan.

However, shareholder approval is required for: (i) amendments to increase the number of Shares issuable under the Amended and Restated RSU Plan, including an increase to a fixed maximum number of Shares or a change from a fixed maximum number of Shares to a fixed maximum percentage; (ii) amendments to remove or exceed the insider participation limits; (iii) amendments extending the term of a RSU or any rights pursuant thereto held by an insider beyond its original expiry date; (iv) amendments to increase the limits previously imposed on non-employee director participants; (v) amendments which would allow for the transfer or assignment of RSUs under the Amended and Restated RSU Plan other than for normal estate settlement purposes; (vi) amendments to the amendment provisions of the Amended and Restated RSU Plan; (vii) amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange). If the Amended and Restated RSU Plan is terminated, its provisions will continue as long as RSUs or rights remain outstanding.

The above summary is qualified in its entirety by the full text of the RSU Plan, which is set out in Schedule A to this Circular. The Board encourages shareholders to read the full text of the Amended and Restated RSU Plan before voting on this resolution.

The resolution to approve the Amended and Restated RSU Plan, which must be approved by the holders of a majority of the Shares voting at the Meeting, is as follows:

"BE IT RESOLVED THAT:

1. The adoption of the Amended and Restated RSU Plan as described in the Corporation's management information circular dated March 29, 2017 is hereby approved, ratified and confirmed, including any grants of RSUs to date pursuant to such Amended and Restated RSU Plan;

2. The increase to the maximum number of Shares issuable upon redemption of RSUs under such Amended and Restated RSU Plan by 3,000,000 Shares (from 1,000,000 Shares to 4,000,000 Shares) is hereby authorized and approved;

3. The Corporation is hereby authorized and directed to issue such Shares pursuant to the Amended and Restated RSU Plan as fully paid and non-assessable common shares of the Corporation; and

4. Any one director or officer of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such director or officer may deem necessary or desirable in connection with the foregoing resolution."

The Board recommends that shareholders vote in favour of the resolution approving the Amended and Restated RSU Plan. Unless a shareholder directs that his or her Shares are to be voted against this resolution, the persons named in the enclosed form of proxy intend vote **FOR** the resolution approving the Amended and Restated RSU Plan.

Approval of Employee Share Purchase Plan

At the Meeting, Shareholders will be asked to approve the adoption of an Employee Share Purchase Plan ("ESPP"). The complete text of the ESPP is set out in Appendix B to this Circular and a summary of the material terms is provided below.

Purpose, Eligibility and Participation

The ESPP is intended to motivate eligible employees to acquire Shares in a convenient manner, to encourage employee share ownership and to align employees' interests with the interests of the shareholders. Unless otherwise determined by the HRC Committee, participation in the ESPP is open to full time and permanent part time employees (who have completed three continuous months of employment) of the Corporation and any of its subsidiaries. Participation in the ESPP is voluntary.

To participate in the ESPP, an eligible employee authorizes payroll deductions in an amount between 1% and 10% of his or her eligible compensation to be contributed to the ESPP, provided that a participant may not purchase more than 15,000 Shares pursuant to the ESPP in any calendar year. Such contributions will be used to purchase Shares at the end of each contribution period. Each contribution period will be three months in duration.

Eligible employees may elect to increase payroll deductions once per calendar year or decrease payroll deductions once per contribution period by submitting a new election form at least thirty days prior to the beginning of a contribution period. Upon withdrawal from the ESPP, participants may not re-enroll for a 12 month period from the date of withdrawal. Individuals subject to a trading blackout may not enroll or withdraw from the ESPP or make changes to payroll deductions during a blackout period.

Administration

The ESPP will be administered by the HRC Committee, subject to the HRC Committee reporting to the Board of Directors on all matters requiring approval of the Board of Directors.

Centerra Contribution

The applicable employer shall make a contribution to a participant's ESPP account in an amount equal to 25% of such participant's payroll contributions during a contribution period.

Purchase of Shares

On the last trading day of each contribution period, the participant's contributions and the related employer contributions to the ESPP will be used to purchase the maximum number of whole Shares that can be purchased. Where such purchases are satisfied by the Corporation through the issuance of Shares from treasury, the number of Shares will be determined by dividing the participant's contribution plus the employer contribution by the five day volume weighted average trading price of the Shares on the TSX on the purchase date. No fractional Shares may be purchased.

Cash dividends, if any, paid with respect to Shares held in the ESPP share accounts will be automatically reinvested in Shares.

Shares Available and Insider Participation

The total number of Shares available for issuance under the ESPP is 5,000,000, representing approximately 1.7% of Centerra's currently outstanding Shares. Shares purchased under the ESPP may be issued from treasury or acquired on the open market. Under no circumstances may the Employee Share Purchase Plan, together with all of Centerra's other security based compensation arrangements, result in (a) the number of Shares issuable pursuant to the ESPP and/or other units or stock options to any one person exceeding 5% of the outstanding Shares; or (b) the number of Shares (i) issuable to insiders at any time or (ii) issued to insiders within any one year period, exceeding 10% of the outstanding Shares.

In total, together with all of Centerra's other security based compensation arrangements, a total of 18,020,651 Shares, or 6.2% of Centerra's currently outstanding Shares will be available for further grants of awards under the Option Plan, Amended and Restated RSU Plan and Employee Share Purchase Plan as of March 28, 2017. In particular:

- (Amended and Restated) RSU Plan of 4,000,000 Shares (1.3% of currently outstanding Shares), including 3,168,376 Shares (or 1.1% of currently outstanding Shares) available for future grants.
- (Proposed) Employee Share Purchase Plan of 5,000,000 Shares (1.7% of currently outstanding Shares), all of which are available for future issuance.
- Option Plan of 18,000,000 Shares (6.18% of currently outstanding Shares), including 9,852,275 Shares (or 3.4% of currently outstanding Shares) available for future grants.

Termination of Employment

Upon termination of employment for any reason, a participant is no longer an eligible employee under the ESPP and will be withdrawn from the ESPP. Upon withdrawal from the ESPP, all payroll deductions from the ESPP that have not been used to purchase Shares will be returned to the participant or his or her executor, administrator or designated beneficiary. No payroll deductions, contributions or any rights to receive Shares under the ESPP may be assigned or transferred other than by will or the laws of descent and distribution.

Amendments

The HRC Committee has the authority, in the case of specified capital reorganizations affecting the Company, to determine appropriate equitable adjustments, if any, to be made under the ESPP, including adjustments to the number of Shares which have been authorized for issuance under the ESPP. The HRC Committee may make amendments to the ESPP without shareholder approval, except for amendments: (i) increasing the number of Shares reserved for issuance under the ESPP; (ii) removing or exceeding the insider participation limits; (iii) extending eligibility to participate in the ESPP to non-employees; (iv) reducing the purchase price payable for Shares under the ESPP; (v) increasing the employer contributions permitted under the ESPP; (vi) changing the amendment provisions of the ESPP; or (vii) other amendments that require shareholder approval under applicable law or stock exchange rules.

Examples of amendments that the Board may make without shareholder approval include, without limitation, (i) changes of a housekeeping nature, (ii) amendments necessary to comply with the provisions of applicable law; (iii) amendments necessary for Shares purchased under the ESPP to qualify for favourable treatment under tax laws; (iv) amendments to the terminations provisions of the ESPP; and (v) amendments necessary to suspend or terminate the ESPP.

The above summary is qualified in its entirety by the full text of the ESPP, which is set out in Schedule B to this Circular. The Board encourages shareholders to read the full text of the ESPP before voting on this resolution.

The resolution to approve the ESPP, which must be approved by the holders of a majority of the Shares voting at the Meeting, is as follows:

"BE IT RESOLVED THAT:

1. The adoption of the ESPP as described in the Corporation's management information circular dated March 29, 2017 is hereby approved, ratified and confirmed;

2. The reservation for issuance under such ESPP of 5,000,000 Shares is hereby authorized and approved;

3. The Corporation is hereby authorized and directed to issue such Shares pursuant to the ESPP as fully paid and non-assessable common shares of the Corporation; and

4. Any one director or officer of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed and to deliver or cause to be delivered all such documents, and to do or cause to be done all such acts and things, as such director or officer may deem necessary or desirable in connection with the foregoing resolution."

The Board recommends that shareholders vote in favour of the resolution approving the ESPP. Unless a shareholder directs that his or her Common Shares are to be voted against this resolution, the persons named in the enclosed form of proxy intend to vote **FOR** the resolution approving the ESPP.

REPORT ON EXECUTIVE COMPENSATION

Letter from the Human Resources and Compensation Committee

Dear Centerra Shareholders,

On behalf of the Human Resources and Compensation Committee, I am pleased to provide my first letter to shareholders after the completion of an extraordinary year for Centerra.

2016 Achievements

2016 was an exciting year for the Company in which we completed the acquisition of Thompson Creek Metals Company Inc., including the Mount Milligan Mine, thereby adding a world class, low cost producing mine with two decades of additional reserve life to our asset base. The acquisition provides a number of benefits to the Company, not least of which is geographic diversification and lowering of our overall geopolitical risk profile. However, despite the importance of the Thompson Creek transaction, there were a number of other positive outcomes at Centerra in 2016. In particular, the Kumtor gold mine met its production and cost guidance after that guidance was favourably revised twice during the year. We also negotiated a renewal of our corporate revolving credit facility with the European Bank for Reconstruction and Development as well as a new project finance facility to support the eventual development of the Öksüt project. While we achieved good overall safety and environmental performance statistics in 2016, they are overshadowed by the death of one of our colleagues at the Kumtor mill in January 2016. All of these items affected the Committee's assessment of corporate and individual performance in 2016.

Committee Activities

The Human Resources and Compensation Committee undertook a series of initiatives in 2016. In addition to its regular tasks of supervising compensation issues of management and the Board, the Committee also updated the Company's comparator group to ensure that it properly reflects the characteristics of the new, larger Centerra following the acquisition of Thompson Creek. In an effort to preserve the Company's cash and increase management's alignment with the interests of shareholders, the Committee and the board of directors approved an Amended and Restated Restricted Share Unit Plan which provides certain management members the opportunity to defer all or a portion of their annual cash bonuses by taking such bonuses in the form of equity (RSUs). The Committee and board of directors also approved an Employee Stock Purchase Plan that will enable all employees of the company to purchase shares of Centerra to be matched 25% by the Company in order to further align the interests of Centerra's employees across the globe with those of our shareholders. Finally in 2016, the Committee, with the assistance of its independent compensation consultant, considered the competitiveness of its director retainers which had last been modified in January 2011. Following its review, the Committee increased director retainers to bring them in line with the Company's peers and to ensure that the Company's director compensation would continue to attract qualified and capable candidates. However, to further align director compensation with the interests of shareholders and in view of the Company's continued focus on cash preservation, such increase to director compensation may be taken only in the form of equity (RSUs or DSUs).

Looking Ahead to 2017

In 2017, the Committee will continue working to ensure that compensation incentives align with the Company's overall strategy, including to promote the achievement of strong safety and environmental performance, meet production and cost guidance at its operating sites, work to resolve the outstanding issues relating to the Kumtor project and to advance our development and growth projects.

I hope that this brief letter has provided some insight into the ways in which the Human Resources and Compensation Committee at Centerra is working to ensure that compensation decisions are driving results for Centerra shareholders. I hope you will attend the meeting of shareholders and I encourage you to ask questions of me or any of the other members of the Human Resources and Compensation Committee on issues of concern to you.

Yours truly,

Terry Rogers
Chair, Human Resources and Compensation Committee
March 29, 2017

Compensation Governance

Human Resources and Compensation Committee Composition

The current members of the Human Resources and Compensation Committee (the "HRC Committee") of Centerra are Mr. Rogers (Chair), Mr. Girard, Mr. Kyshtobaev and Mr. Parrett, each of whom is independent of Centerra. The Board has adopted a formal charter for the HRC Committee, which provides that one of the primary purposes of the HRC Committee is to assist the Board in fulfilling its oversight responsibilities in relation to the selection, retention and compensation of senior management. See "Report on Corporate Governance – Committees of the Board" for a detailed description of the HRC Committee charter.

Human Resources and Compensation Committee Expertise

Centerra's HRC Committee is currently comprised of four independent directors, each of whom has significant prior experience in human resources and compensation matters. The specific experience of each HRC Committee member relevant to his role on the HRC Committee is set out below.

Mr. Rogers has been the Chair of the HRC Committee since 2013 and was formerly Senior Vice President and Chief Operating Officer of Cameco Corporation and, prior to that, President of Kumtor Operating Company. Mr. Rogers also received his Chartered Director (C. Dir.) designation from The Directors College (a joint venture of McMaster University and The Conference Board of Canada) in 2011 and subsequently obtained the Human Resources and Compensation Committee Certified (H.R.C.C.C.) designation from The Directors College in 2013.

Mr. Girard retired from the Foreign Service of Canada in 2003 and was formerly the Canadian Ambassador to Romania and to the Federal Republic of Yugoslavia. As a senior executive of the Public Service of Canada, he was regularly involved in compensation matters relating to executives and members of bargaining units and has significant experience in a range of compensation matters including incentive and award programs and performance appraisal systems.

Mr. Kyshtobaev is currently partner at the Grata Law Firm in Bishkek, Kyrgyz Republic and has previously worked with the Office of the EBRD General Counsel and in the Moscow offices of Chadbourne & Parke LLP and Latham & Watkins LLP.

Mr. Parrett is currently a director of Stillwater Mining Company where he previously served on the Compensation Committee. He has also previously been a director of Pengrowth Energy Corporation where he served as chair of the Compensation Committee; Stillwater Mining Company, where he served on the Compensation Committee; and Gabriel Resources Limited, where he served as chair of the board of directors and as chair of its Compensation Committee.

HRC Committee's Role in Setting Executive Compensation

The HRC Committee, with the assistance of outside advisers, as appropriate, is involved in setting and reviewing executive compensation in the following ways:

- It annually reviews executive compensation practices among the Corporation's comparator group to benchmark Centerra's executive compensation practices at the median of the Corporation's comparators, including base salaries, and applicable targets for short-term and long-term incentive awards to executives.
- It annually reviews the Corporation's compensation framework to ensure that it is designed to meet the Corporation's compensation philosophy and objectives and encourages executives and other employees to carry out the Corporation's objectives within the Corporation's risk appetite. Such review includes

evaluating the relative weighting of fixed and variable (or “at risk”) compensation, such as options and performance share units.

- It annually reviews and approves (or recommends to the Board for approval, where required) the Corporation’s targets for its annual incentive plan, taking into consideration Centerra’s corporate objectives and potential risks that the Corporation may face or that are inherent in the industry and the Corporation’s overall risk appetite. The review process is carried out with the involvement of other Board committees, including the Sustainable Operations Committee. The HRC Committee also annually reviews, with the assistance of other Board committees, the achievement of such targets.
- It makes recommendations to the Board regarding compensation and objectives for the Chief Executive Officer.
- It reviews and approves compensation for the executives who report directly to the Chief Executive Officer.
- It retains discretion to create, modify or reduce incentive awards, including bonuses, performance share units and options.
- It reviews share ownership requirements and confirms that directors and executives are compliant with such requirements.

Managing Compensation-Related Risk

Annually, the HRC Committee reviews the Corporation’s compensation policies and practices to assess any risks associated with them. The HRC Committee also receives regular updates from external advisors regarding compensation related risks and corporate governance matters affecting compensation practices. For example, in 2016, the HRC Committee retained Willis Towers Watson, an independent consulting firm, to advise on current trends in executive compensation and its view on Centerra’s disclosures in that regard.

The HRC Committee is actively involved in the risk oversight of the Corporation’s compensation policies and practices. Some of the more recent examples include: (i) changes to expatriate incentive compensation to better align with corporate goals and market practices; (ii) introduction of a claw-back policy; and (iii) amendments to the Corporation’s insider trading policy.

Centerra uses the following practices to discourage or mitigate excessive risk-taking:

✓ Incentive awards are based on multiple metrics, including both relative and absolute metrics related to health and safety, environment and sustainability, production and cost metrics and growth and such awards are based on individual and company objectives which ensure that awards align with the Company’s priorities for the year;

✓ Centerra has mandatory minimum share ownership requirements for executives and directors;

✓ Centerra’s incentive programs provide for deferred vesting of performance share units, restricted share units and options, with overlapping vesting periods, so that executives remain exposed to the risks of their decisions and the vesting periods align with risk realization periods;

✓ Centerra utilizes an appropriate compensation mix, including fixed and performance based compensation, with short and longer term performance conditions and multiple forms of compensation;

✓ Incentive awards are reasonable in relation to salary and are capped to ensure there is no unlimited upside;

- ✓ Centerra has a claw-back policy that requires employees to reimburse bonus or incentive awards received due to irregularities in financial reporting or employee misconduct;
- ✓ The HRC Committee has discretion in assessing a portion of the annual incentive performance; and
- ✓ The HRC Committee retains an independent adviser who provides it with an external perspective on best practices in the market relating to executive compensation matters, compensation governance and risk management.

Following the HRC Committee's review, it has concluded that there are no risks arising from Centerra's compensation programs which are reasonably likely to have a material adverse effect on Centerra.

Human Resources and Compensation Consultant Fees

The following chart shows the aggregate fees paid to any human resources consultant or advisor, or any of their affiliates, for consulting services (excluding purchased surveys) related to determining compensation for any of the Corporation's directors and executive officers, for the past two financial years.

Consultant	Amounts Paid in 2016		Amounts Paid in 2015	
	Executive Compensation Related Fees	All Other Fees	Executive Compensation Related Fees	All Other Fees
Korn Ferry Hay Group	$39,034	$13,595	$32,788	$0
Willis Towers Watson(1)	$40,519	$31,587	$38,565	$0
Total	**$77,553**	**$45,182**	**$71,342**	**$0**

(1) Centerra first engaged Willis Towers Watson in 2013 to provide consulting services related to the annual review of the comparator group as well as current trends in executive compensation and governance.

Centerra has engaged Korn Ferry Hay Group for various consulting assignments since 2004. Since 2009, Korn Ferry Hay Group has been engaged by the HRC Committee and the Board as their independent compensation advisor. Although management and the Board both use Korn Ferry Hay Group, care is used to maintain independence, including the use of different individuals to provide management versus Board services. When the HRC Committee or the Board uses a consultant, the consultant is instructed by and reports directly to the HRC Committee or the Board, as applicable. In both 2015 and 2016, Korn Ferry Hay Group provided consulting services with respect to directors' compensation and executive management compensation.

While neither the Board nor the HRC Committee is required by their mandates to pre-approve other services the consultant or adviser (or any of its affiliates) provides to the Corporation at the request of management, the Corporation's practice has been for the Chair of the HRC Committee to pre-approve such engagements.

Compensation Discussion and Analysis

Named Executive Officers

This Compensation Discussion and Analysis discusses the compensation of Centerra's Chief Executive Officer, Chief Financial Officer and its three other mostly highly compensated executive officers (collectively, the "Named Executive Officers" or NEOs") in 2016. Mr. Millman became Vice President & Chief Financial Officer on April 1, 2016 following the retirement of Mr. Parr.

Scott Perry	Chief Executive Officer
Frank Herbert	President
Darren Millman	Vice President & Chief Financial Officer
Gordon Reid	Vice President & Chief Operating Officer
Dennis Kwong	Vice President, Business Development & Exploration
Jeffrey Parr	Former Vice President & Chief Financial Officer

Compensation Philosophy and Objectives

Centerra's executive compensation program is intended to support the Corporation's business and financial objectives, and is designed to attract, retain and motivate executives and align their interests with the short and long-term interests of Centerra's shareholders by:

- providing compensation levels competitive with comparator group companies in the mining industry;
- linking executive compensation to corporate performance and the creation of shareholder value;
- promoting prudent risk taking in accordance with the Corporation's risk appetite;
- rewarding achievement of corporate and individual performance objectives; and
- promoting internal equity and a disciplined qualitative and quantitative assessment of performance.

Benchmarking Compensation

Compensation Comparator Group

In July 2016, Centerra retained Willis Towers Watson to assist with the annual review of the group of companies used by the Corporation as a reference for determining competitive total compensation packages. The criteria for the comparator group are North American-based, publicly-traded, gold and diversified metal and mining companies with which Centerra competes for executive and other professional talent. Key considerations include size, complexity, organizational structure and geography. The 2016 review considered the effect on the size and complexity of the Corporation due to the (then) proposed acquisition of Thompson Creek and resulted in the addition of Kinross Gold Corporation to, and the removal of Alacer Gold Corporation from, the comparator group. Centerra's comparator group for 2016 comprised the following companies:

Agnico-Eagle Mines Limited	Eldorado Gold Corporation	Lundin Mining Corporation
Alamos Gold Inc.	HudBay Minerals Inc.	New Gold Inc.
B2Gold Corp.	IAMGOLD Corporation	Yamana Gold Inc.
Detour Gold Corporation	Kinross Gold Corporation	

Compensation Surveys

In addition to annual proxy data of companies within the comparator group noted above, Centerra relies on several surveys prepared by independent consultants to ensure Centerra's compensation program provides competitive compensation opportunities for its executive officers while satisfying Centerra's compensation philosophy and objectives. The amounts paid in 2015 and 2016 by Centerra to compensation consultants for surveys are set out in the table below. Centerra previously purchased Korn Ferry Hay Group survey data annually between 2005 and 2014. With the exception of 2008, Centerra has purchased survey data from Mercer annually since 2004.

Consultant	Amounts Paid in 2016	Amounts Paid in 2015
Korn Ferry Hay Group	$7,910	$0
Mercer Consulting	$5,650	$6,289
Total	**$13,560**	**$6,289**

Total Compensation Targets

Centerra's compensation program is designed to provide its executive officers with total compensation targeted at the 50th percentile of the total compensation targeted by its comparator group of companies when company and individual performances meet predetermined targets, with the opportunity for additional compensation when performance exceeds predetermined targets.

Measuring Individual Performance

Compensation decisions are made using a comprehensive decision-making process that involves the Chief Executive Officer, the HRC Committee, the Chair of the Board, the Board and other Board committees, including the Sustainable Operations Committee. Compensation decisions are based on corporate and individual performance. For a discussion on the corporate performance measure, see "Short-Term Incentives — Annual Cash Bonus Incentives (Non-Equity)" below.

Annually, all executives including the Chief Executive Officer establish individual performance objectives for the ensuing year. These objectives are generally outside the scope of routine work responsibilities and are designed to reflect Centerra's strategic objectives and overall risk appetite.

Members of the Board annually complete a confidential assessment of the performance of the Chief Executive Officer and the results of the assessments are provided to the Chair of the Board. The Chair of the Board conducts a formal assessment of the Chief Executive Officer's performance in the year, reviews his assessment with the HRC Committee, and makes recommendations to the Board for final approval of the Chief Executive Officer's performance and compensation for the next year.

The Chief Executive Officer annually provides the Chair of the HRC Committee with individual performance assessments for each of the executives who directly report to him, including the other NEOs, and also provides compensation recommendations. The HRC Committee reviews the recommendations and approves compensation for such direct reports of the Chief Executive Officer, taking into account the various factors noted below. Specifically, in assessing individual performance in the context of making executive compensation recommendations, the HRC Committee considers each executive officer's:

- contributions to Centerra's overall performance;
- individual performance relative to pre-established goals;
- long-term performance and potential for future advancement or ability to assume roles of greater responsibility; and
- position against competitive market norms for similar roles.

Components of Executive Compensation

Centerra's executive compensation program is comprised of four components: (i) base salary; (ii) annual cash incentive plan compensation; (iii) mid-term and long-term incentive plan compensation made up of share-based and option-based awards; and (iv) employee benefits and executive perquisites, including a Supplementary

Executive Retirement Plan (SERP) in the form of a Retirement Compensation Arrangement (RCA)Trust. The HRC Committee annually reviews the various elements of compensation to ensure alignment with the goals of Centerra and each executive officer, as well as Centerra's compensation objectives and philosophy. While the precise proportions of executive compensation will vary from year to year, the HRC Committee and Board believe it is important that most of the compensation paid to executives of the Corporation be in the form of at-risk pay (annual cash incentive bonus, PSUs and Options) to more closely align those executives' actions and decisions with the interests of the Corporation's shareholders. In 2016, 72% of the Chief Executive Officer's and 65% of the other NEO's total compensation is "at risk".

Base Salary

Base salary is the principal fixed component of pay, and is intended to compensate executive officers for fulfilling their duties, to reflect such executive officer's responsibilities, tenure and prior experience and assist in the attraction and retention of key executives. Base salaries are the principal basis for establishing the targets for the annual, mid-term and long-term incentive plan awards discussed below.

Executive	2015 Base Salary	2016 Base Salary	Percentage Change
Scott Perry	$600,000	$630,000	5%
Frank Herbert	$500,000	$500,000	0%
Darren Millman	n/a	$350,000	n/a
Gordon Reid	$420,000	$450,000	7.1%
Dennis Kwong	$345,328	$355,000	2.8%
Jeffrey Parr	$447,200	$447,200	0%

Based on a market assessment completed in 2016, salary increases for executive officers were approved, effective January 1 2017 to make compensation reflective of and competitive with market rates. Accordingly, Mr. Perry's salary was increased to $650,000 (an increase of 3.2%), Mr. Millman's salary was increased to $435,000 (an increase of 24.2%), Mr. Reid's was increased to $475,000 (an increase of 5.5 %) and Mr. Kwong's to $400,000 (an increase of 12.7%).

Short-Term Incentives — Annual Cash Bonus Incentives (Non-Equity)

Centerra's annual cash bonus incentive plan is a short-term incentive plan designed to provide annual cash bonuses based upon the achievement of corporate and individual targets in the year. Awards are based on the Corporation's results achieved during the year, the individual's contribution towards achieving those results and the achievement of predetermined personal objectives. The 2016 target cash bonus incentive percentages for the NEOs are set out below:

Executive	2016 Base Salary	Target (% of Base Salary)	Target Amount
Scott Perry	$630,000	100%	$630,000
Frank Herbert	$500,000	75%	$375,000
Gordon Reid	$450,000	65%	$292,500
Dennis Kwong	$355,000	50%	$177,500
Darren Millman	$350,000	30%/65%	$190,125
Jeffrey Parr	$447,200	65%	$290,680

Mr. Millman's annual cash bonus incentive target was increased to 65% after his appointment as Vice President and Chief Financial Officer on April 1, 2016. Effective January 1, 2017, Mr. Perry's target annual incentive was increased to 125% of his base salary.

The annual cash bonus incentives target percentages are subject to multipliers based on individual and corporate performance during the year and, as such, actual awards may be above or below such targets. Both the individual and corporate performance components of the annual cash bonus incentive measures may range from 0% (if the threshold performance level is not achieved) to 150% (if the stretch performance level is exceeded). However, the maximum aggregate multiplier that can be applied to the annual cash bonus incentive target is capped at 2.0, resulting in maximum annual cash bonus incentives of two times an NEO's target bonus. If an NEO is promoted during the year and the bonus target changes, the bonus target is pro-rated for the purpose of determining the NEO's annual cash bonus incentive payment. Individual performance and corporate performance are given equal weighting in determining annual cash bonus incentive plan payments.

The formula set out below is used to determine actual cash bonus awards for participants, including the NEOs. Other than base salary, which is discussed above, each element of this formula is discussed below.

Base Salary	**X**	**Individual Bonus Target**	**X**	**Corporate Performance Multiplier**	**X**	**Individual Performance Multiplier**	**=**	**Actual Cash Bonus**
		(% of Base Salary)		(0.0-1.5)		(0.0-1.5)		(0.0-2.0)

Corporate Performance

At or near the beginning of each year, the Board and management agree on financial, operational and strategic objectives for the year which are based upon a number of factors, including Centerra's long-term business strategy and its overall risk appetite. At the conclusion of each year, the HRC Committee assesses actual performance against these objectives. Due to the timing of the acquisition of Thompson Creek in October 2016, none of the Company's 2016 corporate objectives relate to Thompson Creek's performance. Centerra's 2016 corporate performance measure is based upon the following performance categories for cash bonus incentive plan purposes:

- health, safety and sustainability performance (20%);
- operating and financial performance (55%); and
- growth and value creation (25%).

If Centerra meets each of the targeted performance measurements, the corporate performance multiplier is 1.0. If the maximum performance is achieved or exceeded for each of the corporate performance measures, the corporate performance multiplier is 1.5. If the minimum performance is not achieved for a particular corporate performance measurement, no amount is payable for that measurement. Achieving each of these corporate performance measures is challenging because targets are set aggressively. A summary of the 2016 results as well as a discussion of 2016 corporate performance is set out below.

2016 Corporate Objectives - Results						
Performance Measure	**Minimum (80%)**	**Target (100%)**	**Stretch (150%)**	**2016 Performance**	**Weight**	**Weighted Score**
			Health, Safety and Sustainability			
Total Reportable Injury Frequency	0.45	0.33	0.30	0[(1)]	10%	0.0%
Environmental Incidents by Levels					5%	7.50%
III	1	1	0	0		
IV	1	0	0	0		
V	0	0	0	0 (150%)		
License to Operate	Score based on assessment of Sustainable Operations Committee			(100%)	5%	5%
			Operating & Financial Performance			
Production	463,500 ounces poured	515,000 ounces poured	540,750 ounces poured	550,960 ounces poured (150%)	15%	22.50%
All-In Sustaining Cost Per Ounce Sold	$1,082	$902	$812	$682 (150%)	15%	22.50%
Oksut Construction – Budget Performance (thousands of U.S.$)	$168,720	$140,600	$126,540	100%	10%	10%
Oksut Construction – Schedule Performance	90%	100%	110%	100%	10%	10%
Capital Expenditure Other than Oksut (thousands of U.S.$)	$128,810	$117,100	$105,390	$92,165 (150%)	2.5%	3.75%
Corporate General & Administrative Expenses	$23,232	$21,210	$19,008	$14,777[(2)] (150%)	2.5%	3.75%
			Growth & Value Creation			
Greenstone Feasibility Study	Feasibility Study completed	Feasibility Study completed and agreed with JV partner	Feasibility Study completed and released by Q2 2016	Feasibility Study completed, agreed with JV partner and released in December 2016 (100%)	5%	5%
Gatsuurt State Ownership – Parliamentary Approval Timing	Approval received by Q2 2016	Approval received by Q3 2016	Approval received by Q4 2016	Parliamentary approval of Gatsuurt state ownership obtained in February 2016 (150%)	2.5%	3.75%
Organic Resource Growth (inferred gold ounces)	Increase by 250,000 ounces	Increased by 350,000 ounces	Increase by 450,000 ounces	Gold inferred ounces increased by 624,203 ounces (150%)	5%	7.5%
Accretive Acquisition Opportunity with a value greater than $100 million	Opportunity identified and proposed to the Board	Acquisition approved by the Board	Acquisition announces in 2016	Thompson Creek transaction signed in July 2016 and completed in October 2016 (150%)	10%	15%
New Exploration Projects	2 new exploration projects or joint ventures	3 new exploration projects or joint ventures	6 new exploration projects or joint ventures	7 new exploration projects, joint ventures and strategic exploration agreements entered into (150%)	2.5%	3.75%
Total						**120%**

(1) The TRIFR for Centerra in 2016, prior to any deductions for severity, was 0.36 – slightly above the Company's target TRIFR. However, due to the fatality that occurred at the Kumtor mine in January 2016, this score was reduced to 0.0 at the discretion of the HRCC.

(2) Calculation of corporate general and administrative expenses excludes share based compensation and other expenses determined not relevant to this objective by the HRC Committee.

2016 was a strong year in all areas for the Company, particularly due to the transformational business combination transaction with Thompson Creek, which formally closed on October 20, 2016. The Company's safety and environmental performance metrics at Boroo and Kumtor were also very strong, with the notable exception of the fatality that occurred due to an industrial accident at the Kumtor mill in January 2016. Following that incident, the Company initiated a global rollout of a new safety leadership program called Work Safe Home Safe. The HRC Committee and Board also determined that, despite the Company's good reportable injury frequency rate, the safety component of the Company objective should be reduced to nil to reflect both the fatality and the elevated severity rate. On the environmental front, there were also no reportable environmental incidents during 2016.

With respect to operating and financial results, the Company met its production and cost guidance (which had been favourably revised twice during the year), successfully controlled capital expenditures and corporate general and administrative expenses, including a significant head count reduction in Toronto during 2016.While progress on the Company's Öksüt project was not as rapid as initially expected due to the delay in receiving a pastureland permit, the Company continued its work on environmental and social impact assessments, site access and preparation and detailed engineering works. A credit facility has also been put in place to support eventual project development at Öksüt.

In the area of growth and value creation, the Company worked with its JV partner to complete the feasibility study on the Greenstone Gold property and released a technical report in accordance with National Instrument 43-101 in December, 2016. Following the Mongolian Parliament's approval of the state ownership in the Gatsuurt project in February 2016, discussions with the Mongolian government continued throughout 2016 with respect to the definitive agreements on the Gatsuurt project. Centerra's exploration initiatives were also successful in 2016, concluding new option and strategic agreements in Europe, North America and Central America.

Following the HRC Committee's review of the 2016 corporate performance and consideration of other relevant factors such as the success of the Thompson Creek acquisition and Turkish government delays in the permitting process for Öksüt, the HRC Committee determined that a corporate performance multiplier of 120% was appropriate for 2016 performance.

2016 Individual Performances

In assessing each individual NEO's performance, the HRC Committee and Board of Directors had regard to the individual achievements of each NEO as compared to their individual objectives.

Mr. Perry's individual performance objectives in 2016 was based, among other things, on growth (internal and external), executive talent development and improving investor relations, and resulted in an individual performance multiplier of 124%.

Mr. Herbert's individual performance objectives in 2016 were based, among other things, on government relations as they impact Kumtor, Gatsuurt and Öksüt, investor relations and growth initiatives, which resulted in an individual performance multiplier of 121%.

Mr. Millman's individual performance objectives in 2016 were based, among other things, on increasing liquidity for the company, financial strategies and performance and investor relations and resulted in an individual performance multiplier of 128%.

Mr. Reid's individual performance objectives in 2016 were based, among other things, on improving gold recovery, preparing for operations at Öksüt and ensuring the Greenstone project continued progressing and resulted in an individual performance multiplier of 118%.

Mr. Kwong's individual performance objectives in 2016 were based, among other things, on growth objectives including sourcing new projects, alternative opportunities for growth and equity investment opportunities and resulted in an individual performance multiplier of 125%.

Mr. Parr's individual multiplier was capped at 100% as per retirement provisions in the AIP plan document.

Overall Results of Annual Cash Bonus Incentive Awards

A summary of the 2016 annual cash bonus incentive awards for each NEO is set out in the table below:

Executive	Target (% of Base Salary)	Target Amount	Actual Incentive Amount	Actual Incentive (% of Base Salary)
Scott Perry	100%	$630,000	$937,440	148.8%
Frank Herbert	75%	$375,000	$544,500	145.2%
Darren Millman(1)	30%/65%	$197,042	$302,657	153.6%
Gordon Reid	65%	$292,500	$414,180	141.6%
Dennis Kwong	50%	$177,500	$266,250	150.0%
Jeffrey Parr(2)	65%	$290,680	$87,204	19.5%

(1) Mr. Millman was promoted to Vice President and Chief Financial Officer effective April 1, 2016. His Target Amount and Actual Incentive (% of Base Salary) reflect a pro-rated annual cash incentive bonus.

(2) Mr. Parr's Actual Incentive Amount and Actual Incentive (% of Base Salary) was prorated for the time he was Vice President and Chief Financial Officer prior to his retirement on March 31, 2016 and his individual performance multiplier was 1.0 due to his retirement.

Annual Incentives in Restricted Share Units

Subject to the approval by shareholders of the Amended and Restated Restricted Share Unit Plan at the Meeting, certain executives may decide to take all or a portion of their annual cash based incentive for 2016 (and/or in future years) in the form of RSUs. While such participation is entirely voluntary, certain NEOs have already indicated their intention to receive RSUs in lieu of some or all of their 2016 cash based incentive award. In accordance with the terms of the Amended and Restated Restricted Share Unit Plan, beginning in respect of the 2017 calendar year, for every two RSUs granted to an NEO in lieu of a cash-based incentive award, the Company will grant an additional RSU to such NEO. All such RSUs are subject to a vesting period and will therefore serve as an additional method of aligning executive compensation with the interests of shareholders. Please see "Amended and Restated Restricted Share Unit Plan" for full details of the plan.

Mid-term and Long-term Incentives — Performance Share Units and Options

Centerra's mid-term and long-term incentive programs typically consist of annual grants of performance share units ("PSUs") awarded under its PSU plan (the "PSU Plan") and stock options ("Options") awarded under its share option and share appreciation rights plan ("Option Plan"). The PSU Plan and the Option Plan are administered by the HRC Committee. PSUs are awarded by the HRC Committee, and Options are awarded by the Board upon the recommendation of the HRC Committee. The HRC Committee and the Board target the grant of mid-term and long-term incentives as a percentage of the participant's base salary, with the percentage reflecting the level of responsibility of the participant and other factors. The form of the incentive award (whether PSUs, Options or other) for each executive is at the discretion of the Board, although the Corporation's practice has been to divide the award value equally between PSUs and Options.

Performance Share Units

Centerra's PSU Plan is a mid-term incentive plan that permits Centerra to grant PSUs to its employees and executive officers. The purpose of the PSU Plan is to link executive and non-executive performance with Centerra's performance in increasing shareholder value over the medium term, especially in comparison with other gold companies included in the S&P/TSX Global Gold CAD$ Index as measured through its Total Return Index Value (the "TRIV"). The PSU Plan provides a staggered vesting schedule over three years whereby one-half of the PSUs vest on December 31 of the year following the grant year, and the remaining one-half of the PSUs vest on December 31 of the subsequent year. At the time of vesting, the number of PSUs will be adjusted according to Centerra share price performance relative to the TRIV in accordance with the table below and calculated on a linear basis between the points in the table.

Centerra Performance Relative to TRIV	PSU Vesting Adjustment
Greater than 1.5	200%
Between 1.0 and 1.5	Linear calculation
1.0	100%
Between 1.0 and 0.75	Linear calculation
Below 0.75	0%

PSUs are redeemed at the time of vesting for the cash equivalent of a Share based upon the 61 trading-day volume weighted average price prior to vesting of the PSUs or, at Centerra's election, a Share purchased on the open market. PSUs cannot be redeemed by a participant unless they have vested in accordance with their terms. When dividends are paid on Centerra's Shares, additional PSUs are credited to participants' accounts. The number of additional PSUs credited to participants' accounts is determined by dividing the dollar amount of the dividends payable in respect of the PSUs allocated to the participant's account by the 61 trading-day volume weighted average price of Shares on the date credited. Centerra paid dividends of $0.04 per Share on three occasions in 2016: March 8; June 2; and August 31.

Target percentages of PSUs issued to NEOs in 2016 are set out in the table below.

Executive	2016 PSU Target[(1)]
Scott Perry	125%
Frank Herbert	100%
Darren Millman	90%
Gordon Reid	90%
Dennis Kwong	80%

(1) The corresponding number of PSUs is determined by dividing the target value of the grant by the volume weighted average price, in Canadian dollars, of Centerra's Shares on the TSX for the 61 trading days immediately preceding the applicable date. This valuation methodology is used because Centerra believes the fair market value is a reasonable reflection of the intended value, given that holders of these awards are affected by share price movement and dividends in a similar manner as shareholders are affected by such events.

Share Options

The purpose of Centerra's Option Plan is to link employee performance with successful, sustained long-term company performance that increases shareholder value. The Option Plan is designed to assist in the retention of key employees. The HRC Committee designates the recipients of Options and the terms and conditions of each grant and grants are approved by the Board. Options are granted at prices no lower than the volume weighted average trading price, in Canadian dollars, of Centerra's Shares on the TSX for the five trading days prior to the date of the grant. The number of Options awarded is based upon a target percentage of the base salary and the Black-Scholes valuation model. The target percentage varies depending upon the participants' level of responsibility. The amount and terms of outstanding Options, share appreciation rights and PSUs are not taken into account when determining whether and how many new Option grants will be made.

Options granted under the Option Plan are non-transferable, other than by will or the laws of descent and distribution. Options must be exercised no later than eight years after the date of the grant. Options vest as to one-third on each of the first, second and third anniversaries of the grant. The Option Plan provides for the term of Options that would otherwise expire during a blackout period to be automatically extended to 10 business days following the end of a blackout period. All Options that expire or are forfeited unexercised are available for future issuances under the Option Plan.

A maximum of 18,000,000 Shares have been made available for issuance upon exercise of Options granted under the Option Plan, representing 6.2% of Centerra's currently outstanding Shares. Under no circumstances may the Option Plan, together with all of Centerra's other share compensation arrangements, result in: (i) the number of securities issuable to insiders, at any time, exceeding 10% of the outstanding issue of Shares; (ii) the number of securities issued to insiders within any one year period exceeding 5% of the outstanding issue of Shares; or (iii) the number of securities issued or issuable to any one person exceeding 5% of the outstanding issue of Shares.

The HRC Committee may amend, suspend or terminate the Option Plan at any time, provided that no amendment, suspension or termination may materially adversely affect any Options or rights granted to a participant without the participant's consent. In addition, the following amendments to the Option Plan, or to Options granted thereunder, require shareholder approval: (i) amendments to the number of Shares issuable under the Option Plan, including an increase to a fixed maximum number of Shares or a change from a fixed maximum number of Shares to a fixed maximum percentage; (ii) amendments that increase the length of the period after a blackout period during which Options or any rights pursuant thereto may be exercised; (iii) amendments that would reduce the exercise price of an Option or that would result in the exercise price for any Option being lower than the fair market value of a Share at the time the Option is granted, except a reduction in connection with any stock dividend, stock split, combination or exchange of Shares, merger, consolidation, spin-off or other distribution, or other change in the capital of Centerra affecting Shares; (iv) any amendment expanding the categories of eligible person which would have the potential of broadening or increasing insider participation; (v) amendments to termination provisions providing an extension beyond the original expiry date, or a date beyond a permitted automatic extension in the case of an Option expiring during a blackout period; (vi) the addition of any other provision which results in participants receiving Shares while no cash consideration is received by Centerra; and (vii) amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the TSX).

If a participant in the Option Plan dies, Options which have vested will be exercisable for a period of one year by the participant's legal representatives. Options not vested will expire. If a participant retires or becomes disabled, unvested Options will continue to vest and vested Options will continue to be exercisable for a period of three years from the date of retirement or disability, and all Options which are not exercised expire. If a participant ceases to be eligible under the Option Plan for any other reason, except due to a change in control of Centerra, each Option held by the participant which is vested as at the date the participant ceases to be eligible under the Option Plan may be exercised during the period commencing on such termination date and ending 90 days thereafter, after which time all unexercised Options (whether vested or not) held by the participant will expire. In the event of a change of control, all Options will vest immediately and the participant may exercise his or her Options for a period of 90 days (or such longer period set out in any employment contract) after the change of control following which unexercised Options will expire.

Target percentages for options issued to NEOs in 2016 are set out in the table below.

Executive	**2016 Option Target**[1]
Scott Perry	125%
Frank Herbert	100%
Darren Millman	90%
Gordon Reid	90%
Dennis Kwong	80%
Jeffrey Parr	n/a

(1) The corresponding number of Options is determined by dividing the target value of the option grant by the product of the volume weighted average price, in Canadian dollars, of Centerra's Shares on the TSX for the five trading days immediately preceding the date of the grant and the Black-Scholes option value which an independent compensation consulting firm prepares for Centerra prior to each grant.

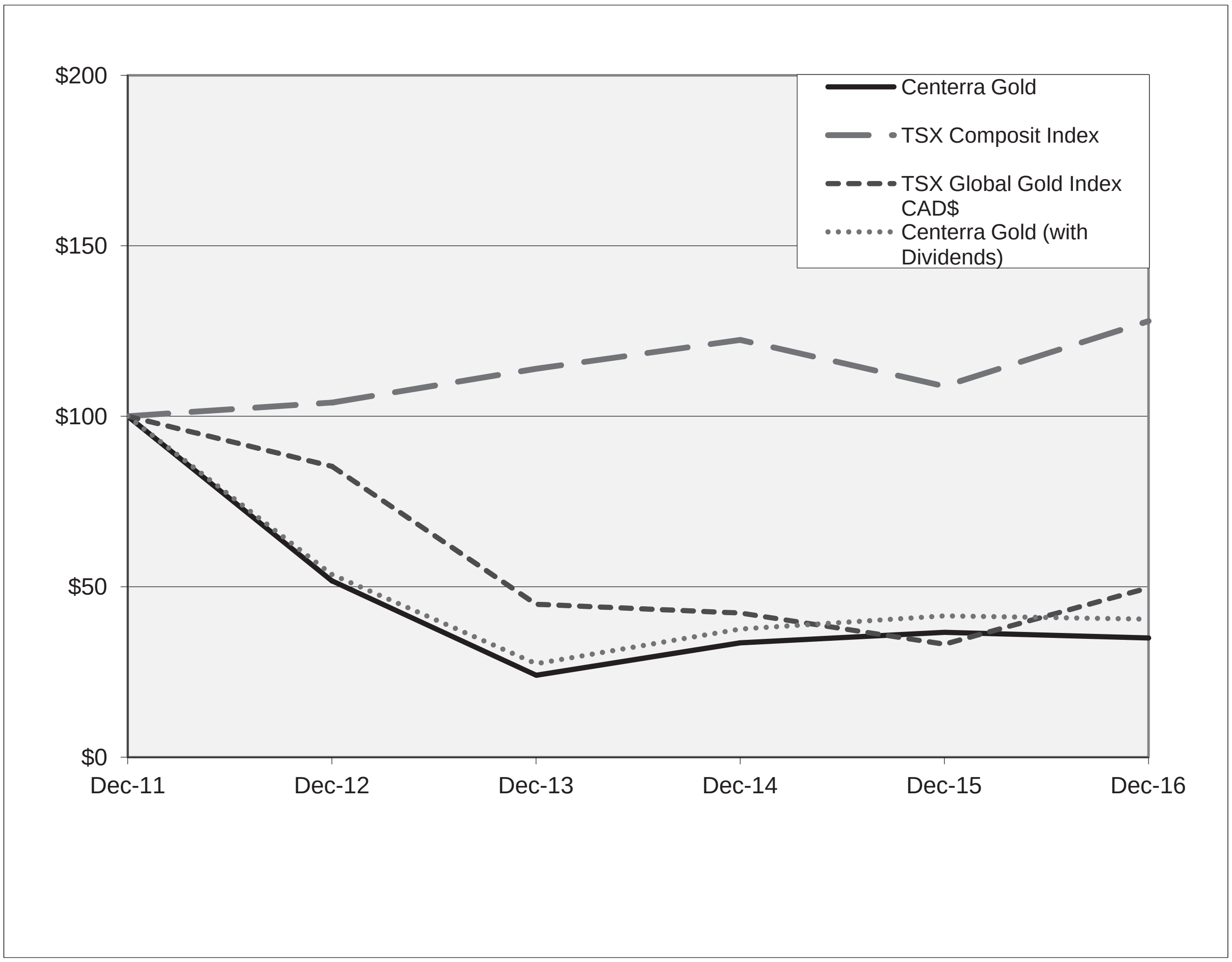
Other Benefits and Perquisites

Centerra provides competitive employee benefits and executive perquisites to aid in the attraction and retention of key executives. Centerra's group benefits package includes life, health, dental, disability and accidental death and dismemberment coverage. Centerra's executives are eligible for the same group benefits package as non-executive employees, with the exception of the group retirement savings plan, which is not available to executives. In lieu of this plan, in 2010, the Corporation established a SERP, which is limited to the executive group. The Corporation's annual contributions to the SERP are twelve percent (12%) of eligible earnings, where eligible earnings are defined as the prior year's base salary plus annual incentive, capped at the target incentive amount. Executives also receive a quarterly perquisite allowance of $10,000 for the Chief Executive Officer and $8,750 for all other NEOs.

Performance Graph

The following graph compares the cumulative shareholder return for $100 invested in Centerra's Shares from December 31, 2011 to December 31, 2016. Centerra's executive compensation mix provides close to half of total compensation through mid-term and long-term incentives that are directly tied to Centerra's Share price, either through PSUs or Options. Therefore, executive compensation is highly sensitive to the performance of Centerra's Share value. As a result, when Centerra's Shares out-perform its comparators (measured via the S&P/TSX Global Gold Index — Total Return Index Value) the PSU Plan is expected to paying out above target and most Options are expected to be in-the-money. Conversely, when Centerra's Shares under-perform its comparators, the PSU Plan is not expected to pay out and most Options are not expected to be in-the-money.

The closing price of Centerra's Shares on the TSX on December 30, 2016 was $6.29.



Compensation Paid to Named Executive Officers In 2016

Summary Compensation Table

The Summary Compensation Table set out below and the related footnotes present information about the compensation of Centerra's "Named Executive Officers" (determined in accordance with applicable rules). Compensation awarded to, earned by, paid or payable to each NEO is payable in Canadian dollars.

Name and principal position	Year	(a) Salary[1] ($)	(b) Share-based awards[2] ($)	(c) Option-based awards[3] ($)	(d) Non-equity incentive plan compensation[4] ($)	(e) Pension value[5] ($)	(f) All other compensation[6] ($)	(g) Total compensation ($)
Scott Perry	2016	622,500	750,000	750,000	937,440	149,400	9,179	3,218,519
Chief Executive Officer	2015	100,000	232,942	125,342	123,337	24,000	8,399	614,020
	2014	-	-	-	-	-	-	-
Frank Herbert	2016	500,000	500,000	500,000	544,500	105,000	61,422	2,210,922
President	2015	451,646	414,861	414,862	508,434	94,198	62,445	1,946,446
	2014	441,975	397,778	397,778	385,055	87,511	300,341	2,010,438
Darren Millman	2016	327,500	259,306	259,306	302,657	51,975	38,630	1,239,374
Vice President & Chief Financial Officer	2015	260,000	90,997	91,000	134,316	-	-	576,313
	2014	218,400	73,500	52,500	82,107	-	-	426,507
Gordon Reid	2016	450,000	405,000	405,000	414,180	89,100	59,899	1,823,179
Vice President & Chief	2015	420,000	378,000	377,999	406,306	83,160	57,933	1,723,398
Operating Officer	2014	420,000	378,000	378,000	327,237	83,160	304,096	1,890,493
Dennis Kwong	2016	355,000	284,000	284,500	266,250	63,900	51,965	1,305,115
Vice President, Business	2015	345,328	258,996	258,997	259,100	62,159	57,864	1,242,444
Development & Exploration	2014	345,328	258,996	258,996	235,190	62,159	195,397	1,356,066
Jeffrey Parr	2016	111,800	-	-	87,204	22,136	22,648	243,788
Former Vice President & Chief	2015	447,200	402,480	402,480	479,099	88,546	65,951	1,885,756
Financial Officer	2014	447,200	402,480	402,480	411,780	88,546	305,215	2,057,701

(1) Amounts indicated represent actual base salary received in the applicable year.

(2) Share-based units awarded are PSUs and are valued based on the grant date fair market value of a Centerra Share — defined as the volume weighted average price (VWAP) for the 61 trading days preceding the applicable date. This valuation methodology is used because Centerra believes the fair market value is a reasonable reflection of the intended value, given that holders of these awards are affected by share price movement and dividends in a similar manner as shareholders are affected by such events.

(3) Option-based awards represent the portion of total compensation that was granted as Options. Option-based awards are valued at the date of the grant using the Black-Scholes option pricing model which Centerra has chosen because it is one of the most common valuation methodologies for options. The value is determined by an external compensation consultant each year. These values are meant to reflect the value the Board intended to deliver rather than the potential accounting expense, and therefore the assumptions used in these two calculations may differ. The key assumptions used in the Black-Scholes option pricing model, for the purposes of calculating the intended compensation value of the annual grants in March 2016, were: (i) a Black Scholes value of 39.55%; (ii) a dividend yield of 2.93%; (iii) a risk-free rate of 1.75%; (iv) a volatility capped at 50%; (v) a vesting condition of one-third on the 1st, 2nd and 3rd anniversary of grant; and (vi) an 8-year term. This approach may not be identical to that used by other issuers and is sensitive to the assumptions used. Therefore, the figures may not be directly comparable across issuers. Similarly, the assumptions used for the purpose of calculating the intended compensation value of an Option may be different from the assumptions used to calculate the accounting fair value of such Option. For comparison purposes, the corresponding accounting fair values for the Option-based Awards for 2016, 2015 and 2014 respectively, were as follows: Scott Perry -- $763,369, $116,318, n/a; Frank Herbert -- $508,916, $401,296; $370,639; Darren Millman -- $269,629, n/a, n/a; Gordon Reid -- $412,208, $366,276, $352,210; Dennis Kwong -- $289,066, $250,965, $241,325.

(4) Amounts indicated represent annual incentive bonus earned in the year, but paid in the following year. The Corporation does not have any non-equity incentive plans related to a period longer than one year except for the PSU Plan which are reflected in column (b) but for greater certainty, the vesting of PSUs does not result in the issuance of treasury Shares.

(5) Amounts include annual SERP contributions made by the Corporation for each NEO. SERP contributions are earned in one year and paid in the following year.

(6) Amounts represent the aggregate amount of perquisites received in the year and the dollar value of additional PSUs granted in the year as a result of a dividend distribution (which are not included in column (b)). This figure does not include group benefits which are generally available to all employees of the Corporation.

INCENTIVE PLAN AWARDS

OUTSTANDING SHARE-BASED AWARDS AND OPTION-BASED AWARDS

The following table sets out all incentive plan awards for each NEO outstanding as at December 31, 2016.

	Option-based Awards				Share-based Awards[1]		
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options[2] ($)	Number of Shares or units of Shares that have not vested (#)	Market or payout value of share-based awards that have not vested[3] ($)	Market or payout value of vested share-based awards not paid out or distributed[4] ($)
Scott Perry	42,400	7.33	November 6, 2023	0	126,234	111,148	111,148
	259,062	7.32	March 7, 2024	0			
Frank Herbert	26,220	18.31	March 7, 2019	0	109,533	201,440	934,387
	27,060	19.48	March 6, 2020	0			
	50,000	7.29	August 14, 2020	0			
	105,878	6.78	March 4, 2021	0			
	167,710	5.04	March 3, 2022	209,638			
	155,839	6.05	March 3, 2023	37,401			
	5,779	7.33	November 6, 2023	0			
	172,708	7.32	March 7, 2024	0			
Darren Millman	14,638	6.78	March 4, 2021	0	44,752	44,223	179,654
	22,135	5.04	March 3, 2022	27,669			
	35,651	6.05	March 3, 2023	8,556			
	31,433	7.32	March 7, 2024	0			
	71,044	5.99	March 30, 2024	21,313			
Gordon Reid	13,820	18.31	March 7, 2019	0	92,813	183,699	880,208
	14,130	19.48	March 6, 2020	0			
	35,000	7.29	August 14, 2020	0			
	107,154	6.78	March 4, 2021	0			
	106,248	5.04	March 3, 2022	132,810			
	148,090	6.05	March 3, 2023	35,542			
	139,893	7.32	March 7, 2024	0			
Dennis Kwong	33,324	4.81	February 17, 2017	49,320	64,497	125,867	603,098
	16,691	18.31	March 7, 2019	0			
	22,430	19.48	March 6, 2020	0			
	40,000	7.29	August 14, 2020	0			
	70,426	6.78	March 4, 2021	0			
	109,197	5.04	March 3, 2022	136,496			
	101,468	6.05	March 3, 2023	24,352			
	98,098	7.32	March 7, 2024	0			
Jeffrey Parr	28,675	18.31	March 7, 2019	0	20,290	101,819	101,819
	29,790	19.48	March 6, 2020	0			
	50,000	7.29	August 14, 2020	0			
	36,659	6.78	March 4, 2021	0			
	113,128	5.04	March 5, 2022	141,410			
	157,681	6.05	March 3, 2023	37,843			

(1) Share based awards are PSUs. The figure represents the aggregate number of PSUs outstanding for each NEO. PSUs are granted annually and vest over two and three-year periods.

(2) The amount in this column is the difference between the closing price on the TSX of the Shares underlying Options on December 30, 2016 (the last trading day of 2016), which was $6.29, and the exercise price of the Options multiplied by the number of Options (whether or not such Options are vested as of the date of this Circular).

(3) The market value of PSUs is based upon the market price of Centerra's Shares (calculated to be the volume weighted average trading price, in Canadian dollars, of the Shares on the TSX for the 61 day trading days immediately preceding the applicable date) and an adjustment factor determined based on Centerra's share performance (for the applicable performance period) relative to the S&P/TSX Global Gold CAD$ TRIV Index as at December 30, 2016 (being the last trading day of 2016).

(4) These amounts relate to PSUs which vested on December 31, 2016. These figures appear also in the table immediately following entitled, "Incentive Plan Awards — Value Vested or Earned During the Year" (under "Share-based awards — value vested during the year".

INCENTIVE PLAN AWARDS
VALUE VESTED OR EARNED DURING THE YEAR

The following table sets out incentive plan awards which have vested or been earned during the year ended December 31, 2016. The awards reflected in the column "Share-based awards — value vested during the year" are also reflected in the last column of the immediately preceding table.

Executive	Option-based awards — Value Vested During the Year[1] ($)	Share-based awards — Value Vested During the Year[2] ($)	Non-equity incentive plan compensation — Value Earned During the Year ($)
Scott Perry	0	111,148	937,440
Frank Herbert	221,953	934,387	544,500
Darren Millman	36,123	179,654	302,657
Gordon Reid	211,831	880,208	414,180
Dennis Kwong	144,723	603,098	266,250
Jeffrey Parr	224,937	657,859	87,204

(1) Represents the aggregate dollar value that would have been realized in 2016 if Options had been exercised on the applicable vesting date. The value was determined by calculating the difference between the closing price on the TSX, in Canadian dollars, of the Shares underlying the Options on the vesting date and the exercise price of the Options multiplied by the number of Options vested.

(2) The value of PSUs vested in 2016 was based upon the market price of Centerra's Shares (calculated to be the volume weighted average trading price, in Canadian dollars, of the Shares on the TSX for the 61 day trading days immediately preceding the applicable date) and Centerra's share performance relative to the S&P/TSX Global Gold CAD$ TRIV as of the vesting date of December 31, 2016.

SUPPLEMENTARY EXECUTIVE RETIREMENT PLAN

The following table sets out the accumulated value of their SERP at the beginning of 2016 for each NEO, the contributions made with respect to 2016 earnings (but paid in 2017) and the accumulated value as of December 31, 2016. Annual contributions to the SERP are twelve percent (12%) of eligible earnings, where eligible earnings are defined as the prior year's base salary paid plus annual incentive, capped at target incentive. The first SERP contributions were made in 2010, based on eligible earnings in 2009. Since these are self-administered RCA Trusts, investment income is not included in these amounts.

Executive	Accumulated Value at Beginning of 2016[1] ($)	Contribution Earned in Respect of 2016[2] ($)	Accumulated Value at End of 2016[1] ($)
Scott Perry	24,000	149,400	173,400
Frank Herbert	519,438	105,000	624,438
Darren Millman	0	51,975	51,975
Gordon Reid	430,166	89,100	519,266
Dennis Kwong	379,208	63,900	443,108
Jeffrey Parr	541,567	22,136	563,703

Termination and Change of Control Benefits

The following is a description of the incremental termination and change of control benefits provided to each of the NEOs pursuant to the terms of the Corporation's incentive plans and their respective employment agreements with the Corporation. The incentive plans and NEO employment agreements do not provide any rights of NEOs on the occurrence of a change of control, only on the occurrence of a termination without cause or resignation for good reason following a change of control.

Type of Termination	Severance	Annual Incentive Plan (Bonus)	Options	PSUs	Benefits	SERP
Termination without Just Cause or Good Reason[(2)]	• Lump sum equal to base salary and target annual incentive for 24 months.	• Bonus for the current year is *prorated* to the termination date (based on corporate performance assumed at target, if it cannot be determined, and based on personal performance at not less than meets expectation)	• All options that would have vested during the 24 months following the termination date immediately vest as of the termination date and remain exercisable for a period of 90 days.	• PSUs are *prorated* to, and paid on, the termination date[(3)], and are subject to an adjustment factor equal to the adjustment factor at the termination date or 1.0, whichever is lower.	• Benefits continue for a 24 month period. • If benefits cannot be provided, the NEO receives a payment in lieu of benefits.	• Co ntributions continue for a 24 month period.
Termination without Just Cause or Good Reason within 24 months of a Change of Control[(2)]	• Lump sum equal to base salary and target annual incentive for 24 months.	• Bonus for the current year is *pro rated* to the termination date (based on corporate performance assumed at target, if it cannot be determined, and based on personal performance at not less than meets expectation)	• All options immediately vest and remain exercisable for a period of 90 days. • If options cannot vest or become exercisable during such 90 day period, the payment of a lump sum equal to the "in-the-money" value of the options.	• All PSUs held as of the termination date vest immediately and are paid based on actual performance (as defined in the PSU plan) at the time of the change of control or the termination date (whichever is higher).	• Benefits continue for the 24 month period following terminatio n. • If benefits cannot be provided, the NEO receives a payment in lieu of benefits.	• Co ntributions continue for the 24 month period following termination .

(1) "Just Cause", "Good Reason", and "Change of Control" are defined in an NEO's employment agreement.

(2) *Pro rated* PSUs means a percentage of outstanding PSUs based on the period from the grant date to the termination date relative to the entire vesting period. For example, if an NEO was terminated without cause 18 months after grant of PSUs, the entitlement would be to (i) for the first vesting period of 24 months, 18/24 of the PSUs that would vest during such vesting period; and (ii) for the second vesting period of 36 months, 18/36 of the PSUs that would vest during such vesting period. For a further discussion on the vesting periods of PSUs, see "Compensation Discussion and Analysis - Performance Share Unit Plan".

Each NEO has agreed that, except with advance written consent from Centerra, they will not compete with Centerra for a period of six months (12 months in the case of Mr. Perry) following the cessation of employment or solicit Centerra's employees or full-time consultants for a period of two years following the cessation of employment. Each NEO has further agreed not to disclose any confidential information after the cessation of employment, to waive all moral rights to any intellectual property in favour of Centerra and that all right, title and interest in any intellectual property and copyright is for the exclusive use of Centerra.

The tables below provide details on the estimated incremental payments, payables and benefits by the Corporation to each NEO that would have resulted had the relevant triggering event occurred on December 31,

2016. For equity-based compensation, the values represent the "in-the-money" value of any awards that vest or will become vested as a result of the termination circumstance. The values are based on a share price of $6.29, being the closing price of the Shares on December 30, 2016.

Termination of Employment Without Cause or Good Reason

Executive	Severance[(1)] ($)	Annual Incentive Plan (Bonus)[(2)] ($)	Options ($)	PSUs[(3)] ($)	Benefits ($)	SERP ($)	Total Estimated Incremental Payment ($)
Scott Perry	2,520,000	0	0	0	120,154	302,400	2,942,554
Frank Herbert	1,750,000	0	94,814	0	115,230	210,000	2,170,044
Darren Millman	1,155,000	0	29,137	0	102,464	138,600	1,425,201
Gordon Reid	1,485,000	0	90,100	0	113,102	178,200	1,866,402
Dennis Kwong	1,065,000	0	61,734	0	108,012	127,800	1,362,546

(1) Severance includes salary and annual incentive plan bonus at target for the severance period.

(2) In the case of "Termination without Just Cause or Good Reason" which occurs on December 31, 2016, an NEO would still receive the annual incentive plan bonus for all of 2016, which would be calculated based on corporate performance and the individual performance being no less than "meets expectations".

(3) In the case of a "Termination without Just Cause or Good Reason" which occurs on December 31, 2016, an NEO would receive a PSU payment for any PSUs which vested at the end of 2016, and their *pro-rated* PSUs up to their termination date, and which in each case is calculated based on an adjustment factor equal to the adjustment factor at December 31, 2016 (the termination date) or 1.0, whichever is lower, so there is no incremental benefit to an NEO.

Termination without Cause or Good Reason Following a Change of Control

Executive	Severance[(1)] ($)	Annual Incentive Plan (Bonus)[(2)] ($)	Options ($)	PSUs[(3)] ($)	Benefits ($)	SERP ($)	Total Estimated Incremental Payment ($)
Scott Perry	2,520,000	0	0	111,148	120,154	302,400	3,053,702
Frank Herbert	1,750,000	0	94,814	201,440	115,230	210,000	2,371,484
Darren Millman	1,155,000	0	36,241	44,223	102,464	138,600	1,476,528
Gordon Reid	1,485,000	0	90,100	183,699	113,102	178,200	2,050,101
Dennis Kwong	1,065,000	0	61,734	125,867	108,012	127,800	1,488,413

(1) Severance includes salary and annual incentive plan bonus at target for the severance period.

(2) In the case of "Termination without Just Cause or Good Reason within 24 months of a Change of Control" which occurs on December 31, 2016, an NEO would still receive the annual incentive plan bonus for all of 2016, which would be calculated based on corporate performance and the individual performance being no less than "meets expectations".

(3) In the case of "Termination without Just Cause or for a Good Reason" within 24 months of a Change of Control, all unvested PSUs vest based on actual performance as of December 31, 2016.

Executive Share Ownership

The Board believes that executive officers should hold a significant ownership interest in Centerra in order to align their interests with those of Centerra's shareholders, focus executives on improving total shareholder returns over time and mitigate compensation related risks. As a result, the Board has adopted share ownership expectations applicable to executive officers. The share ownership expectations were increased in 2012 following a review by the HRC Committee of the Corporation's comparator group and corporate governance practices.

The Chief Executive Officer is required to attain a level of share ownership equivalent to 3 times basic annual salary. All other executive officers are required to attain a level of share ownership equivalent to 1.5 times basic annual salary. Executive officers must fulfill their share ownership requirement within five years of becoming subject to the share ownership policy. When an executive officer is promoted or receives a raise in basic annual salary, they have five years from the date of such increase to achieve the incremental increased share ownership required.

While Centerra does not require executives to retain Shares acquired through the exercise of Options for any specified period of time, it does require that a minimum of one-third of the required level of share ownership must be met through the ownership of Shares. The balance of the required level of share ownership can be achieved through PSUs held pursuant to Centerra's PSU Plan (and any other equity plan as determined by the HRC Committee). When calculating the market value of executive share ownership, Shares are valued at the higher of cost at acquisition and current fair market value, and PSUs are valued based on the intended value of the PSU at the time of grant.

Each NEO is in compliance with the executive share ownership policy. The table below sets out a summary of each NEO's most recent share ownership requirements.

Executive	Share Ownership Requirement ($)	Date to Meet Shareholding Requirement	Common Shares as of March 28, 2017	PSUs as of March 28, 2017	Value as of March 28, 2017 ($)
Scott Perry	1,950,000	January 1, 2022	0	248,968	1,678,971
Frank Herbert	750,000	November 1, 2020	28,000	185,062	1,421,850
Darren Millman	652,200	January 1, 2022	0	103,891	696,918
Gordon Reid	675,000	January 1, 2022	35,750	157,390	1,289,756
Dennis Kwong	600,000	January 1, 2022	18,700	112,835	886,176

Succession Planning for Senior Management

The Human Resources and Compensation Committee oversees succession planning for senior management and retention programs. The committee reviews the succession plan at least annually. Depending on the position at issue, other Board committees such as the Audit Committee, and the Sustainable Operations Committee may also be involved in the regular review of succession planning.

Equity Compensation Plan Information

The following table sets forth, as at December 31, 2016, details of the Company's compensation plans under which equity securities of the Company are authorized for issuance.

	Number of securitie s to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders			
Stock Option Plan	5,363,755	$8.03	9,851,152
Equity compensation plans not approved by securityholders			
Amended and Restated Restricted Share Unit Plan	147,064[1]	$0	3,168,376[2]
Employee Share Purchase Plan	0	$0	5,000,000

(1) This amount represents the number of RSUs outstanding under the existing Restricted Share Unit Plan adopted by Centerra shareholders in 2011.

(2) This amount represents the amount of RSUs remaining available to be issued under the Amended and Restated Restricted Share Unit Plan which is being put forward for consideration of the shareholders at the Meeting.

DIRECTORS COMPENSATION

Only directors who are not employees of Centerra are paid for serving as directors of Centerra. The HRC Committee, with the advice of an independent compensation consultant, annually reviews the compensation paid to Centerra's board members in order to ensure that it is in line with its comparator group companies. Director compensation is currently comprised of the following four components:

(a) an annual retainer of $160,000 (other than the Chair and Vice Chair), a portion of which (currently, a minimum of $110,000) must be taken as equity based compensation in the form of DSUs and/or RSUs. Prior to January 1, 2017, directors (other than the Chair and Vice Chair) received an annual retainer of $140,000 of which at least $90,000 were to have been taken in the form of DSUs and/or RSUs. See "Report on Corporate Governance – Compensation of Directors";

(b) fees for serving as a chair of a Board committee — $25,000 for serving as chair of the Audit Committee, $16,000 for serving as Chair of the Human Resources and Compensation Committee, and $10,000 for serving as chair of the Nominating and Corporate Governance Committee;

(c) attendance fee of $1,500 for each Board or regular committee meeting that they attend; and

(d) members of the Special Committee receive compensation of $1,000 per month plus $1,500 per meeting and the Chair of the Special Committee receives an annual retainer of $10,000; and

(e) for directors not resident where the Board meeting is occurring, a travel allowance of $1,500 per trip ($4,500 in the case of non-North American residents) is provided.

The Chair receives an annual retainer of $310,000, of which at least $200,000 must be taken in the form of DSUs and/or RSUs. The Vice Chair receives an annual retainer of $280,000, of which at least $180,000 must be taken in the form of DSUs and/or RSUs. The decision to create a normal retainer arrangement for the Vice Chair, Mr. Walter, was taken by the Board of Directors following the expiry of Mr. Walter's employment agreement in May 2016.

In addition, directors also receive a per diem amount of $1,500 for international travel made at the request of the Chairman or the Chief Executive Officer of Centerra. This does not apply for regularly scheduled Board meetings. Mr. Perry, the Chief Executive Officer of Centerra who is also a NEO does not receive any compensation for his services as director. None of the directors receive any non-equity incentive plan compensation or any pension related compensation.

The table below sets out compensation paid to directors in 2016.

Name	Cash Portion of Fees Earned ($)	Percent of Total Fees Earned (%)	Fees Earned in 2016[1] Share-based Portion of Total Fees Earned — Paid as DSUs[2] ($)	Percent of Total Fees Earned (%)	Share-based Portion of Total Fees Earned — Paid as RSUs[2] ($)	Percent of Total Fees Earned (%)	All Other Compensation ($)	Total ($)
Richard Connor	139,000	61	0	0	90,000	39	0	229,000
Raphael Girard	52,500	27	0	0	140,000	73	0	192,500
Eduard Kubatov	87,014	54	0	0	72,925	46	0	159,939
Nurlan Kyshtobaev	73,027	57	0	0	55,849	43	0	128,876
Stephen Lang	124,500	35	0	0	232,500	65	0	357,000
Emil Orozbaev	20,089	54	0	0	17,260	46	0	37,349
Michael Parrett	116,500	56	0	0	90,000	44	0	206,500
Jacques Perron	18,863	52	0	0	17,753	48	0	36,616
Sheryl Pressler	131,500	59	0	0	90,000	41	0	221,500
Terry Rogers	151,000	62	18,200	8	72,800	30	0	242,000
Kalinur Sadyrov	20,089	54	0	0	17,260	46	0	37,349
Bektur Sagynov	85,514	54	0	0	72,925	46	0	158,439
Kylychbek Shakirov	38,438	53	0	0	34,089	47	0	72,527
Bruce Walter	81,838	37	28,407	13	111,723	50	0	221,968

(1) Percentages in this table may not add to 100% due to rounding. Figures represent the amounts earned during 2016 – a portion of the compensation (earned in respect of the fourth quarter of 2016) was not paid to directors until early 2017.

(2) This figure includes the value of DSUs or RSUs awarded as a result of fees earned during 2016. The number of DSUs or RSUs actually awarded in respect of fees earned during 2016 is equal to the dollar amount of fees earned divided by the volume weighted average trading price of Centerra's Shares on the TSX for the five trading days immediately preceding the date of the award. In the case of RSUs and DSUs which were earned and subsequently vested and redeemed in 2016, the value above reflects the intended value of the RSU and DSU grants and not the actual amount paid out upon redemption, which amounts can be found in the table "Directors Incentive Plan Awards (Value Vested During 2016)".

Deferred Share Unit Plan

Centerra has established a DSU plan (the "DSU Plan") for non-executive directors to receive a portion of their director's compensation as DSUs. As DSUs are received as compensation for services in lieu of cash remuneration, they represent an investment by directors in Centerra similar to share ownership. Directors may elect to receive all or a portion of their director's compensation (as specified by the Board from time to time) as DSUs or RSUs or both. Centerra believes that this plan aligns the interest of these directors with those of the shareholders. Directors who are officers of Centerra or Centerra subsidiaries do not receive DSUs for serving as directors.

While serving as a director, DSUs cannot be redeemed. DSUs are redeemed in full to the director no later than December 15 in the calendar year that immediately follows the calendar year of termination of Board service. DSUs of directors who are United States citizens or resident aliens in the United States are redeemed in full on the 30th day following separation from service. In all cases, each DSU represents the right of the director to receive, after termination of all positions with Centerra, the market value of the DSUs equal to the weighted average of the closing price of Centerra's Shares on the TSX for the five trading days immediately preceding the payout date. If a dividend is paid on the Shares, each director will be allocated additional DSUs equal in value to the dividend multiplied by the number of DSUs held by the director.

Amended and Restated Restricted Share Unit Plan

Centerra's RSU Plan is part of the Company's annual and long-term incentive compensation arrangements available for directors, officers and certain employees. As RSUs are received as compensation for services in lieu of cash remuneration, they represent an investment by directors in Centerra similar to share ownership. As noted above, directors may elect to receive all or a portion of their director's compensation (as specified by the Board from time to time) as DSUs or RSUs or both. Centerra believes that this plan aligns the interest of these directors with those of the shareholders.

If a dividend is paid on the Shares, each participant will be allocated additional RSUs equal in value to any dividend paid on Centerra's Shares multiplied by the number of RSUs held by the participant, divided by the market value of Centerra's Shares.

Upon redemption, Centerra shall: (A) issue from treasury one share for each whole vested RSU being redeemed; or (B) at the election of the participant, pay to the participant an amount equal to: (i) the number of vested RSUs being redeemed multiplied by (ii) the market value of a Share as at the redemption date minus (iii) applicable withholding taxes; or (C) a combination of (A) and (B), at the election of the participant.

For further information regarding the RSU Plan, refer to the section "Approval of the Amended and Restated Restricted Unit Plan" above and the full text of the RSU Plan attached as Appendix A.

Directors' Share Ownership

Centerra has established a share ownership policy for its non-executive directors of Shares with a value equal to three times their annual retainer (from time to time), to be achieved within a period of five years of becoming a director. When a director receives an increase in annual retainer, which would result in an increase to ownership requirement, the director has five years from the date of such increase to achieve the incremental share ownership requirement. The director share ownership required amounts are set out in each nominee director's profile. See "Business to be Transacted at the Meeting – Election of Directors".

Centerra's director share ownership policy was reviewed by the HRC Committee in 2012 against practices of its comparator group and good governance practices. No changes were made to the policy.

Mr. Perry, as Chief Executive Officer, is not remunerated for his service on the Board and, as a result, is not subject to the minimum ownership requirement that applies to non-executive directors of Centerra, but is subject to the minimum ownership requirements that apply to executives of Centerra.

Since the value of DSUs and RSUs are tied directly to Centerra's share price, DSUs and RSUs count toward the achievement of these ownership levels, in addition to Shares themselves. When calculating the market value of the Share ownership of directors, Shares held are valued at the higher of cost and current fair market value. DSUs and

RSUs are valued at the greater of the fair market value at the date of award/grant and the current fair market value.

Directors Share-Based Awards, Option-Based Awards and Non-Equity Incentive Plan Compensation

Director incentive plan awards take the form of DSUs and RSUs. The following sets out share-based awards (DSUs and RSUs) for the Corporation's directors as of December 31, 2016. DSUs do not vest until the director ceases to hold any positions with the Corporation. RSUs vest immediately but are redeemed at the election of the directors. The following sets out only those DSUs and RSUs which remain outstanding and have not been redeemed. Redeemed DSUs and RSUs are found in the next table. Non-executive directors of Centerra do not have any option-based awards or any non-equity incentive plan compensation.

	Share-based Awards(1)			
Name	**Number of Shares or Units of Shares that have not vested (DSUs) ($)**	**Market or Payout value of share-based awards that have not vested ($)(2)**	**Number of Shares or Units of Shares that have vested (RSUs) ($)**	**Market or Payout value of vested share-based awards (RSUs) not paid out or distributed ($)(2)**
Scott Perry(3)	0	0	0	0
Richard Connor	45,802	288,095	0	0
Raphael Girard	1,082	6,806	26,946	169,490
Eduard Kubatov	0	0	3,676	23,122
Nurlan Kyshtobaev	0	0	3,676	23,122
Stephen Lang	0	0	53,149	334,307
Michael Parrett	0	0	37,892	238,341
Jacques Perron	0	0	0	0
Sheryl Pressler	32,138	202,148	0	0
Terry Rogers	62,722	394,521	0	0
Bektur Sagynov	0	0	3,676	23,122
Bruce Walter	75,880	477,285	29,438	185,165

(1) Share-based awards for director compensation can be either in the form of DSUs or RSUs. RSUs vest immediately upon their grant by the Corporation but are not paid out or distributed until the director elects a redemption date, which date can be during the time when he or she continues to act as a director of Centerra. In contrast, DSUs do not vest until they are redeemed in accordance with their terms and cannot be redeemed until the director no longer holds a position with Centerra or its subsidiaries.

(2) The value of DSUs and RSUs was determined by multiplying the number of DSUs and RSUs held by a director by the closing price on the TSX of Centerra's Shares on December 30, 2016, which was $6.29. All RSUs are considered vested when granted in accordance with the terms of the RSU Plan.

(3) Mr. Perry, Chief Executive Officer of Centerra, is not remunerated for his service on the Board.

Directors Incentive Plan Awards (Value Vested During 2016)

Restricted Share Units

The following RSUs were redeemed for cash or common shares in 2016 by former directors:

Director Name	Termination Date	Redemption Date	DSUs Redeemed (#)	Gross Redemption Amount[1] ($)
Emil Orozbaev	March 10, 2016	March 31, 2016	2,891	17,260
Kalinur Sadyrov	March 10, 2016	March 31, 2016	2,891	17,260
Kylychbek Shakirov	May 17, 2016	May 6, 2016	3,769	26,307
		June 30, 2016	1,537	11,589

(1) Gross Redemption Amount is determined by multiplying the number of RSUs redeemed by the market value of Shares as at the Redemption Date, being the volume weighted average trading price, in Canadian dollars, of the shares on the TSX, for the five trading days immediately before the Redemption Date.

The following RSUs were redeemed for cash or common shares in 2016 by current directors:

Director Name	Redemption Date	RSUs Redeemed (#)	Gross Redemption Amount[1] ($)
Richard Connor	February 14, 2016	3,323	22,467
	May 15, 2016	3,769	27,814
	August 14, 2016	2,984	23,276
	November 14, 2016	3,129	21,400
Eduard Kubatov	March 31, 2016	909	5,425
	June 29, 2016	2,984	22,231
	November 10, 2016	3,112	21,473
Nurlan Kyshtobaev	July 29, 2016	1,439	10,720
	November 10, 2016	3,112	21,566
Stephen Lang	March 30, 2016	11,156	66,823
	June 30, 2016	10,765	81,172
	September 30, 2016	9,334	67,486
	December 30, 2016	8,227	49,364
Jacques Perron	December 31, 2016	2,901	17,753
Sheryl Pressler	February 14, 2016	3,323	22,467
	May 15, 2016	3,769	27,814
	August 14, 2016	2,984	23,276
	November 14, 2016	3,129	21,401
Terry Rogers	January 10, 2016	2,688	19,759
	April 10, 2016	3,049	18,535
	July 10, 2016	2,414	18,055
	October 10, 2016	2,517	16,765
Bektur Sagynov	May 24, 2016	909	6,988
	August 3, 2016	2,989	22,690
	November 30, 2016	3,112	21,473

(1) Gross Redemption Amount is determined by multiplying the number of RSUs redeemed by the market value of Shares as at the Redemption Date, being the volume weighted average trading price, in Canadian dollars, of the shares on the TSX, for the five trading days immediately before the Redemption Date. This amount represents the gross cash proceeds paid upon the redemption of these RSUs.

REPORT ON CORPORATE GOVERNANCE

The Board and management believe that sound and effective corporate governance is essential to Centerra's performance. Centerra has adopted certain practices and procedures to ensure that effective corporate governance practices are followed and that the Board functions independently of management. In addition, the Nominating and Corporate Governance Committee of the Board reviews Centerra's corporate governance practices and procedures on a regular basis to ensure that they address significant issues of corporate governance.

The following statement sets out a description of Centerra's corporate governance practices as approved by the Board and in accordance with the requirements set forth in National Instrument 58-101 — *Disclosure of Corporate Governance Practices* ("NI 58-101").

Board Mandate

The Board supervises the conduct of the affairs of the Corporation directly and through its committees. In so doing, the Board acts in the best interests of the Corporation. In addition, the Board recognizes the importance of the enhancement of both short and longer term value. In carrying out its responsibilities, the Board appoints the executive officers of the Corporation and meets with them on a regular basis to receive and consider reports on the Corporation's business. The Board holds regularly scheduled meetings, with additional meetings being held as required to consider particular issues or conduct specific reviews between regularly scheduled meetings. Between January 1, 2016 and December 31, 2016, the Board held 11 meetings.

The fundamental responsibility of the Board is to supervise the management of Centerra's business and affairs with a view to sustainable value creation for all shareholders. Centerra's Board promotes fair reporting, including financial reporting, to shareholders and other interested persons as well as ethical and legal corporate conduct through an appropriate system of corporate governance, internal controls and disclosure controls.

The Board is, among other matters, responsible for the following:

- selection, appointment, evaluation and, if necessary, termination of the Chief Executive Officer and the other executive officers;
- adoption of a strategic planning process and approval of strategic plans;
- risk management policies and procedures;
- policies and procedures regarding the integrity of financial reporting and information management;
- oversight of estimates of Centerra's reserves by management;
- human resources policies;
- health, safety and environmental policies;
- disclosure policies and procedures;
- corporate governance;
- corporate social responsibility and sustainability; and
- certain other matters which may not be delegated by the Board under applicable corporate law.

The Board has adopted a formal written mandate which clarifies these responsibilities and is complemented by the written mandates of each of its standing committees. The full text of the Board Mandate is set out in Appendix C. A copy can also be found on Centerra's website at www.centerragold.com.

Directors regularly meet individually or in groups with senior management in work sessions to obtain further insight and provide guidance into the operations of the Corporation and its subsidiaries, and are involved on a regular basis in discussions with management. Each Board committee may engage outside advisors at the expense of the Corporation. Individual directors are also free to consult with members of senior management whenever required and to engage outside advisors, at the expense of the Corporation, with the authorization of the Nominating and Corporate Governance Committee.

The Board Chair

After the 2012 annual general meeting of shareholders, the Board appointed Mr. Stephen Lang as the Chair of the Board, following his retirement as Centerra's President and Chief Executive Officer. Mr. Lang has been considered independent of the Corporation since May 18, 2015. As of the date of this Management Information Circular, Mr. Terry Rogers is the Independent Lead Director of the Board. Despite the fact that Mr. Lang has been an independent director since May 18, 2015, the Board has determined that Mr. Rogers should continue in his role as independent Lead Director.

Pursuant to the Board Mandate, the Chair is principally responsible for overseeing the operations and affairs of the Board. The Chair's responsibilities include (subject to the responsibilities of the independent Lead Director as set out below) leading, managing and organizing the Board, consistent with the approach to corporate governance adopted by the Board from time to time; confirming that appropriate procedures are in place to allow the Board to work effectively and efficiently and to function independent from management; acting as a liaison between the Board and senior management; encouraging effective communication between the Board the Chief Executive Officer, and working with the Chief Executive Officer, the Chair of the Nominating and Corporate Governance Committee and the Corporate Secretary to further the creation of a healthy governance culture within Centerra.

Pursuant to the Board Mandate, the independent Lead Director is principally responsible for facilitating the functioning of the Board independently of management and ensuring that the directors formally have an independent leadership contact. The independent Lead Director's responsibilities also include coordinating the activities of the independent directors; presiding at all meetings of the Board at which the Chair is not present, including meetings of independent directors; calling meetings of independent directors, as appropriate; serving as liaison between the Chair, Chief Executive Officer and the independent directors; corresponding or meeting, if needed, with shareholders or other stakeholders regarding communications directed to the independent directors; and providing support to the Chair, Chief Executive Officer, the Chair of the Nominating and Corporate Governance Committee and the Corporate Secretary, as needed, to further the creation of a healthy governance culture within Centerra.

Overseeing the Chief Executive Officer

The Chief Executive Officer is appointed by the Board and is responsible for managing Centerra's affairs. His or her key responsibilities involve articulating the vision for the Corporation, focusing on creating value for shareholders, and developing and implementing a strategic plan that is consistent with the corporate vision.

Annually, the Board (through the HRC Committee) sets objectives for the Chief Executive Officer which align with the Corporation's strategic plan. These objectives include specific quantifiable goals and general growth related goals which are not driven by a predetermined mathematical formula but are more qualitative.

The Chief Executive Officer is accountable to the Board and the Board committees. The Board conducts a formal review of his performance once per year.

The Board has established clear limits of authority for the Chief Executive Officer. These are described in Centerra's delegation of financial authority policy.

The Board receives reports from the Chief Executive Officer on Centerra's operating activities as well as timely reports on certain non-operational matters, including finance, legal, government relations, business development, corporate governance and insurance matters.

Position Descriptions of Board Chair and Chief Executive Officer

The Board has adopted a position description for the Chair of the Board, which sets out the duties and responsibilities of the Chair. This position description is reviewed by the Board annually. The position description for the Chair of the Board is contained in the Board's Mandate. The Board's Mandate also provides that the chair of each committee is responsible for determining the agenda, and the frequency and conduct of the meetings of that committee. The full text of the committee charters can be found at Centerra's website.

The Board has also adopted a position description for Centerra's Chief Executive Officer which sets out the duties and responsibilities of the Chief Executive Officer. This position description is reviewed by the Board annually.

Strategic Planning

The Board works with management in developing the overall business strategy of the Corporation and the annual business plans for achieving its objectives, which form the annual objectives for the Chief Executive Officer. The Board receives regular updates from management regarding management's implementation of the business strategy.

Along with those matters which must by law be approved by the Board, key strategic decisions are also submitted by management to the Board for approval or discussion. In addition to approving specific corporate actions, the Board reviews and approves the reports issued to shareholders, including annual and interim financial statements, as well as materials prepared for shareholders' meetings.

Independence of Board Members

Centerra's Board has assessed the independence of each nominee for director. In determining independence, the Board examined and relied on the definition of independence in NI 58-101. After considering a wide variety of factors and information disclosed by each nominee, the Board has determined that a majority of the current nominee directors (eight of twelve) are independent. Mr. Perry and Mr. Walter are not independent because they are members of management of Centerra or have been members of management within the last three years. Mr. Perron is not independent because he was a member of management of a subsidiary of Centerra, Thompson Creek, within the last three years. Mr. Sagynov is not independent due to his role with Kyrgyzaltyn and because he has been Chairman of the board of directors of Kumtor Gold Company within the last three years. All other current directors are independent of the Corporation.

To ensure that the Board is able to discharge its responsibilities independently of management, the independent directors have regularly scheduled opportunities to meet separately from management and the non-independent directors following each meeting of the Board. They avail themselves of this opportunity, at their discretion, whenever they deem necessary. In 2016, the independent directors met eight times separately from management and the non-independent directors.

Interlocking Directorships

An “interlock” occurs where two or more Board members are also board members of another public company. Currently, the members of the Board do not have any interlocking directorships and, as such, the Company has not found a need to adopt a formal policy relating to interlocking directorships.

Majority Voting and Advance Notice Nominations

The Board has adopted a majority voting policy for the election of directors. The majority voting policy requires that if a director nominee fails to receive more than 50% of votes in favour of his or her election at an uncontested meeting of shareholders at which directors are being elected, then that director nominee shall be considered not have to have received the support of shareholders, even if elected as a matter of corporate law. Such a director nominee will be expected to forthwith tender his or her resignation to the Nominating and Corporate Governance Committee, which will review the resignation and make recommendations to the Board as to whether the resignation should be accepted. The resignation will only be effective once accepted by the Board and the affected nominee shall not participate in the deliberations of the Nominating and Corporate Governance Committee or the Board in this regard. The Board will resolve to accept or not accept the resignation as soon as possible and, in any event, within 90 days of the relevant shareholders’ meeting. If the Board accepts the resignation of the director, the Board may leave the resultant vacancy unfilled until the next annual general meeting, it may fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders or it may call a special meeting of shareholders at which there will be presented a management slate to fill the vacant position or positions.

In addition to a majority voting policy, the Corporation’s by-laws were amended in 2014 to require that any shareholder seeking to nominate a director at a shareholder meeting must provide advance notice of the individual(s) the shareholder intends to nominate as well as certain other prescribed information. The by-laws provide for a reasonable time frame in which to notify the Corporation of an intention to nominate directors and require a level of disclosure of information concerning proposed nominees that the Corporation would be required to include in a management information circular in respect of the election of directors. This procedure affords the Board the opportunity to evaluate the qualifications of all director nominees and their suitability as directors while providing shareholders with adequate notice and information regarding director nominations to be considered at a meeting.

In the case of an annual meeting of shareholders, notice to the Corporation must be received not later than 30 and not earlier than 65 days prior to the date of the annual meeting; provided, however, that if the first public announcement of the date of the annual meeting is less than 50 days prior to the meeting, notice must be received not later than the 10th day following such public announcement. In the case of a special meeting (which is not also an annual meeting) of shareholders called for any purposes which includes the election of directors, notice to the Corporation must be received not later than the close of business on the 15th day following the day on which the first public announcement of the date of the special meeting is made.

Skills Matrix

The matrix below shows the Board's mix of skills and experience in areas that are important to the Corporation's business. The skills matrix is also used to identify those skills for which the Corporation should recruit when making changes to the Board. The skills matrix is based on self-assessments by the directors and other information disclosed by current nominee directors in annual questionnaires:

	Board Experience	International Experience	Mining, Exploration & Operations	Operations	Human Resources	Financial Literacy	Corporate Responsibility and Sustainable Development	Legal	Managing/Leading Growth	Investment Banking /Mergers & Acquisitions	Government Relations	Business Judgment	Industry Knowledge	Senior Officer
Richard Connor	✓	✓	✓		✓	✓			✓	✓		✓	✓	
Raphael Girard	✓	✓		✓	✓		✓				✓			✓
Eduard Kubatov		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Nurlan Kyshtobaev		✓						✓						
Stephen Lang	✓	✓	✓	✓	✓	✓	✓					✓	✓	✓
Michael Parrett	✓	✓	✓		✓	✓			✓	✓		✓	✓	✓
Jacques Perron		✓	✓	✓	✓		✓		✓		✓	✓	✓	✓
Scott Perry	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓
Sheryl Pressler	✓		✓		✓	✓			✓	✓		✓	✓	✓
Terry Rogers	✓	✓	✓	✓	✓	✓	✓		✓		✓	✓	✓	✓
Bektur Sagynov		✓	✓	✓		✓	✓		✓		✓	✓	✓	
Bruce Walter		✓	✓			✓	✓	✓	✓	✓	✓	✓	✓	✓

Overseeing and Managing Risk

The Board is responsible for overseeing Centerra's policies and processes to identify the Corporation's principal business risks and to confirm that systems are in place to mitigate these risks where prudent to do so. In particular, the Risk Committee oversees the policies, process and systems for the identification, assessment and management of the Corporation's principal strategic, financial and operational risks. In addition, the Board and its standing committees manage various types of risks as follows:

- Audit Committee: The Audit Committee monitors financial related risks, including risks relating to internal controls over financial reporting, the delegation of financial authority, and financial risk management policies. The Audit Committee also oversees the Corporation's disclosure controls and procedures, code of ethics and international business conduct (anti-corruption) policies.
- Human Resources and Compensation Committee: The Human Resources and Compensation Committee oversees and manages compensation related risks and retention and succession risks.
- Nominating and Corporate Governance Committee: The Nominating and Corporate Governance Committee oversees risks related to corporate governance matters.

- Sustainable Operations Committee: The Sustainable Operations Committee oversees risks relating to safety, health, environment, corporate social responsibility and reserves matters.

Committees Of The Board Of Directors

Each Board committee operates under a written charter that sets out its responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment and reporting to the Board. The charters are reviewed annually by the relevant committee and the Nominating and Corporate Governance Committee may make recommendations to the Board for changes. Below is a summary of the composition of the Board committees and a brief description of the responsibilities of each committee and its members.

Committee	Members	Independence
Audit Committee	Richard Connor (Chair)	Independent
	Michael Parrett	Independent
	Sheryl Pressler	Independent
Human Resources & Compensation Committee	Terry Rogers (Chair)	Independent
	Raphael Girard	Independent
	Nurlan Kyshtobaev	Independent
	Michael Parrett	Independent
Nominating & Corporate Governance Committee	Sheryl Pressler (Chair)	Independent
	Raphael Girard	Independent
	Eduard Kubatov	Independent
Risk Committee	Stephen Lang (Chair)	Independent
	Richard Connor	Independent
	Nurlan Kyshtobaev	Independent
	Jacques Perron	Non-independent
	Sheryl Pressler	Independent
	Bektur Sagynov	Non-independent
Sustainable Operations Committee	Bruce Walter (Chair)	Non-independent
	Raphael Girard	Independent
	Eduard Kubatov	Independent
	Stephen Lang	Independent
	Jacques Perron	Non-independent
	Terry Rogers	Independent
	Bektur Sagynov	Non-independent

Audit Committee

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- financial reporting;
- the external auditor;
- the internal auditor;
- compliance with legal and regulatory requirements related to financial reporting and certain corporate policies;
- internal controls over financial reporting and disclosure controls; and
- any additional matters delegated to the Audit Committee by the Board.

The Board has determined that all of the Audit Committee members are financially literate as required by applicable securities legislation. In 2016, the Audit Committee met 7 times.

Information regarding the Audit Committee can be found under "Audit Committee" in the Corporation's Annual Information Form. A copy of the Corporation's most recently filed Annual Information Form can be obtained by securityholders of the Corporation free of charge by contacting the Corporation at 1 University Avenue, Suite 1500, Toronto, Ontario, M5J 2P1, Canada, Attention: John Pearson, Vice President, Investor Relations, or (416) 204-1953 or can be found on SEDAR at www.sedar.com.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- Centerra's overall approach to corporate governance;
- the size, composition and structure of the Board and its committees;
- the identification and recommendation to the Board of qualified individuals for appointment to the Board and its committees;
- orientation and continuing education for directors;
- matters involving conflicts of interest of directors; and
- any additional matters delegated to the Nominating and Corporate Governance Committee by the Board.

In 2016, the Nominating and Corporate Governance Committee met 5 times.

Human Resources and Compensation Committee

The HRC Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- the selection and retention of senior management;
- the compensation of senior management;
- senior management succession and development;
- human resources policies; and

- any additional matters delegated to the HRC Committee by the Board.

In 2016, the HRC Committee met 5 times.

Sustainable Operations Committee

The Sustainable Operations Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- the establishment and review of Centerra's safety, health and environmental policies;
- management of the implementation of compliance systems;
- monitoring the effectiveness of Centerra's safety, health and environmental policies, systems and monitoring processes;
- receiving audit results and updates from management with respect to Centerra's health, safety and environmental performance;
- reviewing the annual budget for safety, health and environmental operations;
- the Corporation's corporate social responsibility policies, programs and performance;
- the estimation of reserves by management;
- the review of reserve information before publication; and
- any additional matters delegated to the Sustainable Operations Committee by the Board.

In 2016 the Sustainable Operations Committee met 6 times.

Risk Committee

The Risk Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to, among other things:

- company-wide risk management practices;
- overseeing that the executive team has in place processes designed to identify and assess the key risks that the organization faces and has established appropriate mechanisms designed to address those risks;
- overseeing, in conjunction with other board-level committees or the full board, significant or critical risks, including strategic, financial and operational risks; and
- clarifying the division of risk-related responsibilities to each board committee and analysis to determine that the oversight of significant or critical risks is not overlooked.

In 2016, the Risk Committee met 5 times.

The Board has also established a Special Committee comprised entirely of independent directors, Michael Parrett (Chair), Richard Connor, Sheryl Pressler and Terry Rogers to, among other things, oversee, review, evaluate and consider matters relating to management's interaction with the Government of the Kyrgyz Republic.

Board Diversity

In order to ensure the Corporation's practices are consistent with emerging practice in the area of diversity on boards of directors and in executive officer positions, the Board has adopted a written diversity policy. The policy recognizes the importance to the Corporation of having a Board and executive officers with a diverse mix of skills, experiences, knowledge and backgrounds. The policy requires that the Corporation: (i) consider candidates who are highly qualified based on business expertise, functional experience, knowledge, personal skills and character against objective criteria but also having due regard to the benefits of diversity, the needs of the Board, the Corporation's current and future plans and objectives, as well as anticipated regulatory developments; (ii) consider the level of representation of women and other diverse groups on the Board and in executive officer positions when making recommendations for nominees to the Board or for appointment as executive officers and in general with regard to succession planning for the Board and executive officers; and (iii) when required, engage qualified independent external advisors to assist the Board in conducting its search for candidates that meet the foregoing criteria. The diversity policy also requires the Board and its committees to put forward diverse candidates, including women candidates, when identifying candidates for election to the Board or appointment as executive officers. As one example, when seeking director nominations from Kyrgyzaltyn, Centerra specifically requested Kyrgyzaltyn to give consideration to women candidates.

The Nominating and Corporate Governance Committee and the Human Resources and Compensation Committee periodically report to the Board on the implementation of the diversity policy. The diversity policy requires that progress be measured based on, among other things, the relative increase in diversity on the Board and in executive officer positions over time, as well the implementation of specific processes designed to foster the progression of diverse candidates to be considered for nomination or appointment. Centerra recognizes that it may be challenging for it to immediately identify a pool of qualified candidates that fully reflects the diversity that the Corporation seeks to promote. Centerra has therefore not adopted specific targets, but will promote its objectives through the initiatives set out in the diversity policy with a view to identifying and fostering the development of suitable candidates for nomination or appointment over time.

As of March 29, 2017, Centerra's Board includes one woman (or 8%) and three members from diverse national origins (or 25%). In addition, Centerra and its subsidiaries have one executive officer (or 12.5%) who is a woman and many senior managers from diverse backgrounds.

Board Renewal

The Board's mandate includes a mandatory retirement provision that allows directors to serve on the Board until the annual meeting of the Corporation next following their 75th birthday and that directors may not be re-elected after reaching age 75, unless this requirement is waived by the Board or the Nominating and Corporate Governance Committee for a valid reason.

In view of this existing mechanism of Board renewal, the Board has considered whether it was necessary to adopt additional measures for Board renewal, including director term limits. The Board considered the turnover that the Board has experienced in recent years as well as the fact that the average tenure of the Board is approximately five years. As a result, it determined that existing Board renewal mechanisms as well as natural turnover of the Board continues to result in a good mix of directors with experience relating to the Corporation's ongoing matters as well as newer directors who bring fresh voices to the Board's discussions.

Assessment Process

Annually, the Nominating and Corporate Governance Committee reviews the effectiveness of the Board, its committees and the Chair through the use of a confidential self-assessment questionnaire completed by each director. The results of the surveys are subsequently discussed by the Board.

The Nominating and Corporate Governance Committee, through the survey and interviews, assesses the operation of the Board and the committees, the adequacy of information given to directors, communication between the Board and management, the effectiveness of the processes of the Board and committees, and the effectiveness of the Board and directors. The committee recommends to the Board any changes needed to enhance performance based upon this assessment process.

Nomination of New Directors and Board Size

The Nominating and Corporate Governance Committee is responsible for assessing the need for new directors, and the preferred experience and qualifications of new directors, taking into consideration the independence, age, skills and experience required for the effective conduct of the Corporation's business as well as the requirements of the Corporation's diversity policy discussed above. The Nominating and Corporate Governance Committee recommends candidates for initial Board membership and Board members for re-nomination. Recommendations are based upon character, integrity, judgment, business experience, record of achievement and any other skills or talents that would enhance the Board and overall management of the business and affairs of the Corporation as well as the criteria laid out in the Corporation's diversity policy.

The Nominating and Corporate Governance Committee maintains an understanding of the anticipated tenure of current directors, and the needs of the Board as a whole. Particular candidates are considered in light of the Board's current and anticipated needs. Board members complete annual skills and experience self-assessments, which are reviewed by the committee to assist in placing Board members on committees where their expertise can best be utilized and also to identify skills and experience gaps important in identifying any new nominees to the Board.

The Board's mandate provides for retirement of directors at age 75 unless this requirement has been waived by the Board or the Nominating and Corporate Governance Committee for a valid reason.

The Board is of the view that its optimal size for effective decision-making and committee work is between 9-12 members.

Board Education Opportunities

Centerra provides new directors with orientation materials describing the business of the Corporation, its corporate governance structure and related policies and information. Centerra's Chief Executive Officer, Chief Financial Officer and other senior executives provide new directors with detailed briefings on company strategy, operations, business development, legal, financial, exploration, human resources and investor and government relations matters. For example, in 2016, each of Messrs. Kubatov, Kyshtobaev, Perron and Sagynov participated in such director orientation.

Continuing education is provided by management through presentations to the Board and committees when any key business decisions are sought. Directors are briefed regularly on strategic issues affecting the Corporation. Board members are also encouraged to attend conferences or seminars at Centerra's expense. The conference or seminar can deal with any subject matter that is applicable to the Board member's role on the Board or its committees or to increase the member's knowledge of the Corporation's business. The Corporate Secretary notifies Board members of conferences, seminars or other educational opportunities on pertinent topics. For example: (i) all directors received a presentation on July 5, 2016 by the Company's outside counsel entitled "Responsibilities and Obligations of Director"; (ii) the HRC Committee received a presentation from Willis Towers Watson entitled "Canadian Executive Compensation 'Hot Topics'"; and (iii) the Sustainable Operations Committee received regular presentations from the Company's Vice President, Sustainability & Environment on topics, including the Devonshire Initiative; the European Bank for Reconstruction and Development Social and Environmental Performance Requirements; the Voluntary Principles on Security & Human Rights; and the Global Reporting Initiative.

Board members are encouraged to visit the Corporation's main operating sites. The Board and / or its committees have previously visited the Boroo project in Mongolia, the Kumtor project in the Kyrgyz Republic and the Öksüt site in Turkey. The Board of Directors plans to visit the Mount Milligan site in the summer of 2017.

Compensation of Directors

The Board believes that compensation for directors should be competitive with the compensation paid to directors of comparable companies. The HRC Committee reviews directors' compensation annually with the assistance of an independent consultant and makes recommendations to the Board. In 2016, in an effort to bring the Company's director compensation in line with the median of its comparator group, the HRC Committee increased the retainers applicable to directors by $20,000 per year, all of which must be taken in either RSUs or DSUs. This change is effective as of January 1, 2017. Directors who are employees of the Corporation or any of its affiliates do not receive any compensation for service as directors. Compensation paid to each director during fiscal 2016 is set out under "Compensation of Directors".

Codes of Ethics

Centerra's Board expects all of Centerra's directors, officers and employees to conduct themselves in accordance with the highest ethical standards.

Centerra's Board has adopted a Code of Ethics for employees which addresses, among other things, avoidance of conflicts of interest, protection of confidential information, compliance with applicable laws, rules and regulations, adherence to good disclosure practices and procedures for employees and third parties to report concerns with respect to accounting and auditing matters. Employees with such concerns may report their concerns directly or, if they so wish, in a confidential or anonymous manner to: (i) the General Counsel and Corporate Secretary of the Corporation, (ii) the Chair of the Audit Committee, or (iii) a 24 hour-a-day compliance hotline, a service which is operated by a third party and is available in the local languages of the Corporation's operating subsidiaries. As set out in the Code of Ethics, an employee who, in good faith, reports a concern is protected from reprisal, such as dismissal, demotion, suspension, threats, harassment or discrimination.

The Board has also adopted a Code of Ethics for directors, which sets out the ethical standards that apply to directors in the exercise of their duties. Directors are required to promptly report all actual, potential or perceived conflicts of interest to the Corporate Secretary, who is in turn required to bring such conflicts to the attention of the Nominating and Corporate Governance Committee. Directors may not participate in discussions, deliberations or decision-making in which they have a conflict of interest.

All directors and mid-level and senior employees of Centerra are required to sign an annual compliance certificate relating to the Code of Ethics and, in addition, employees and contractors undergo training on the Code of Ethics. The Audit Committee receives an annual compliance report for employees, and the Nominating and Corporate Governance Committee receives an annual report on directors' compliance. Issues arising between annual reporting are brought to the attention of the appropriate committee.

Copies of the Codes of Ethics for employees and directors can be found on Centerra's website at www.centerragold.com and are also available in print upon request.

Disclosure and Insider Trading Policy

Centerra's Board has adopted and periodically reviews and updates Centerra's written corporate disclosure and insider trading policy. The policy addresses the following matters:

- establishes a process for the disclosure of material information;
- establishes a process for reviewing news releases, corporate documents and public oral statements before they are issued;
- sets out the obligations of Centerra's directors, officers and other employees to preserve the confidentiality of undisclosed material information;
- sets out the prohibitions applicable to Centerra's directors, officers and other employees with respect to illegal insider trading and tipping; and
- prohibits directors and employees of Centerra from hedging the value of any equity based awards or Shares.

Shareholder/Investor Communications And Feedback

The Corporation has procedures in place to effectively communicate with its stakeholders, including its shareholders, employees and the general public. The fundamental objective of these procedures is to ensure an open, accessible and timely exchange of information with shareholders, employees and other stakeholders concerning the business, affairs and performance of the Corporation. This includes quarterly conference calls with industry analysts, investors/shareholders and media representatives in conjunction with the release of the Corporation's financial results, as well as regular presentations to or meetings with industry analysts, institutional shareholders and with potential investors. Through the Corporation's website, shareholders and other stakeholders may access webcasts of these conference calls and most of the presentations made by the Corporation to the investment community. The Corporation's management includes an experienced investor relations professional who is dedicated to working closely with members of the investment community, institutional investors and individual shareholders. In addition, the Corporation has in place procedures to ensure that inquiries or other communications from shareholders are answered by an appropriate person in the Corporation.

During 2016, the CEO, Vice President of Investor Relations and other members of senior management including the President, COO and CFO, held over 170 meetings with institutional investors, attended 10 industry conferences, gave 12 sales desk presentations at different investment firms in Canada, hosted five retail broker presentations in three different cities in Canada, and hosted a Kumtor mine site and Öksüt project site visit for seven analysts.

You may contact the Board or Centerra's independent directors as a group by writing to them c/o Chair of the Board or c/o Independent Lead Director, Centerra Gold Inc., 1 University Avenue, Suite 1500, Toronto, Ontario, Canada M5J 2P1.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE AND INDEMNIFICATION

Centerra's directors and officers are covered under go-forward and run-off directors' and officers' liability insurance policies. The aggregate limit of liability applicable to those insured directors and officers under the policies is US$65 million for the run-off policy and US$75 million for the go-forward policy, inclusive of defense costs. The go-forward policy is a twelve-month policy which is renewed annually, whereas the run-off policy provides coverage for actions by directors and officers that predate June 30, 2009. The run-off policy expires on June 30, 2018. There is no deductible for officers or directors under these policies. Under the policies, Centerra has reimbursement coverage (up to US$65 and US$75 million, for the run-off and go-forward, respectively) to the extent that it or a subsidiary has indemnified a director or officer in excess of a deductible of US$250,000 for each loss. The policies provide for a US$250,000 deductible in respect of securities claims. The premium paid by Centerra in 2015 was US$330,487 for the go-forward policy. The one-time premium paid in 2016 for the three year extension to the run-off policy was US$325,987.

Centerra's by-laws also provide for the indemnification of its directors and officers from and against liability and costs in respect of any action or suit against them in connection with the execution of their duties of office, subject to certain limitations. Centerra has also entered into agreements with each of its directors and officers providing for indemnification and related matters.

INTERESTS OF DIRECTORS AND OFFICERS IN MATTERS TO BE ACTED UPON

No director or executive officer of Centerra, nor any proposed nominee for election as a director of Centerra, or any associate or affiliate of any one of them, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Information regarding interests of informed persons in material transactions can be found under the heading "Interest of Management and Others in Material Transactions" in the Corporation's Annual Information Form ("AIF"). A copy of the AIF can be obtained by securityholders of the Corporation free of charge by contacting the Corporation at 1 University Avenue, Suite 1500, Toronto, Ontario, M5J 2P1, Canada, Attention: Vice President, Investor Relations, or (416) 204-1953 or can be found on SEDAR at www.sedar.com.

SHAREHOLDER PROPOSALS FOR NEXT YEAR'S ANNUAL MEETING

The *Canada Business Corporations Act* permits certain eligible shareholders of the Corporation to submit shareholder proposals to the Corporation, which proposals may be included in a management proxy circular relating to an annual meeting of shareholders. The final date by which the Corporation must receive shareholder proposals for the annual meeting of shareholders of the Corporation to be held in 2018 is February 1, 2018.

ADDITIONAL INFORMATION

Financial information for the financial year ended December 31, 2016, is provided in the Corporation's comparative financial statements and management's discussion and analysis ("MD&A") which are included in the Annual Report. Securityholders who wish to be added to the mailing list for the annual and interim financial statements and MD&A should contact the Corporation at 1 University Avenue, Suite 1500, Toronto, Ontario, Canada M5J 2P1, or (416) 204-1953, Attention: Vice President, Investor Relations.

Copies of the Corporation's AIF, together with one copy of any document, or the pertinent pages of any document, incorporated by reference in the AIF; the Corporation's most recently filed consolidated annual financial statements, together with the accompanying report of the auditor, and any interim financial statements of the Corporation that have been filed for any period after the end of the Corporation's most recently completed financial year; and this Circular are available to anyone, upon request, from the Secretary of the Corporation or from the Vice President, Investor Relations, and without charge to securityholders of the Corporation.

The Annual Report (including the annual financial statements and MD&A), the AIF and other information relating to the Corporation are available on SEDAR at www.sedar.com.

DIRECTORS' APPROVAL

The contents of this Circular and its sending to shareholders of the Corporation have been approved by the directors of the Corporation.

Toronto, Ontario, March 29, 2017

By Order of the Board of Directors

Wendy Yu
Assistant Corporate Secretary

APPENDIX A
CENTERRA GOLD INC.
AMENDED AND RESTATED RESTRICTED SHARE UNIT PLAN

1. INTRODUCTION

1.1 Purpose

The purposes of the Plan are to:

(a) promote a greater alignment of interests between non-employee directors and designated employees of the Company and the shareholders of the Company;

(b) provide a compensation system for non-employee directors that is reflective of the responsibility, commitment and risk accompanying Board membership;

(c) assist the Company to attract and retain individuals with experience and ability to serve as members of the Board or officers of the Company; and

(d) allow the non-employee directors and designated employees of the Company to participate in the long-term success of the Company.

1.2 Definitions

For the purpose of the Plan:

(a) "Annual Bonus" means the annual cash bonus payable to an Eligible Officer pursuant to the Company's annual cash bonus incentive plan.

(b) "Applicable Withholding Taxes" means any and all taxes and other source deductions or other amounts which the Company or its subsidiaries is required by law to withhold from any amounts to be paid or credited hereunder.

(c) "Award Date" means each date on which Restricted Share Units are credited to a Participant's Restricted Share Unit Account in accordance with Section 3.4, which shall be, unless otherwise determined by the Board:

(i) the last corporate payday of each calendar quarter of each year for Restricted Share Units credited in respect of Director Remuneration; and

(ii) the date on which the Eligible Officer's Annual Bonus would have been paid for Restricted Share Units credited in respect of all or a portion of the Eligible Officer's Annual Bonus, provided that, if the Award Date falls within a Blackout Period, the Award Date shall be the date which is six (6) trading days following the date on which the Blackout Period ends.

(d) "Blackout Period" means a period during which the Eligible Person is prohibited from trading in securities of the Company pursuant to the Company's Disclosure and Insider Trading Policy.

(e) "Board" means the board of directors of the Company.

(f) “Code” means the U.S. Internal Revenue Code of 1986, as amended from time to time, and the Treasury Regulations promulgated thereunder.

(g) “Committee” means the committee of the Board responsible for recommending to the Board the compensation of the Eligible Persons, which at the effective date of the Plan is the Human Resources and Compensation Committee.

(h) “Common Shares” means the common shares of the Company.

(i) “Company” means Centerra Gold Inc., and any successor thereto.

(j) “Deferred Share Unit” means a deferred share unit granted pursuant to the Centerra Gold Inc. Deferred Share Unit Plan for Directors, as amended from time to time.

(k) “Director Remuneration” means the annual retainer payable to an Eligible Person for serving as a director, the chair of the Board or a committee chair.

(l) “Disability” means the mental or physical state of the Participant such that:

(i) the Committee, acting reasonably, determines that the Participant is unable, due to illness, disease, mental or physical disability or similar cause, to substantially perform his or her duties with the Company or any of its subsidiaries for any consecutive 3 month period or for any period of 6 months (whether or not consecutive) in any consecutive 12 month period and that there is no reasonable prospect of the Participant returning to active employment at the end of such period;

(ii) a court of competent jurisdiction has declared the Participant to be mentally incompetent or incapable of managing his or her affairs or has appointed a guardian of the property of the Participant; or

(iii) an attorney pursuant to a continuing power of attorney for property or similar instrument manages the affairs of the Participant due to the Participant’s mental incapacity.

(m) “Election Form” means (i) in respect of Director Remuneration, an election substantially in the form of Schedule A or B, and (ii) in respect of an Annual Bonus, an election substantially in the form of Schedule C or D, in each case, as amended by the Committee from time to time.

(n) “Eligible Officer” means a person employed by the Company in a Vice President position or a position senior to a Vice President.

(o) “Eligible Person” means a person who is, at the relevant time: a non-executive director of the Company or any of its subsidiaries or an Eligible Officer; and any employee or executive director of the Company or any of its subsidiaries designated by the Committee from time to time.

(p) “Expiry Date” means one year following the Eligible Person’s Termination Date.

(q) “Just Cause” has the meaning set out in the employment agreement of the Participant, if applicable, and otherwise means the Participant (i) wilfully fails to perform his or her duties with the Company or any of its subsidiaries, (ii) commits theft, fraud, dishonesty or misconduct involving the property, business or affairs of the Company or any of its affiliates or in the performance of his or her duties, (iii) wilfully breaches or fails to follow any material term of his or her employment agreement, (iv) is convicted of a crime which constitutes an indictable offence, or (v) engages in conduct which would be treated as cause by a court of competent jurisdiction.

(r) "Market Value" means the volume weighted average trading price of the Common Shares on the principal Canadian stock exchange on which the Common Shares are traded for the five (5) trading days immediately prior to the applicable day (calculated as the total value of Common Shares traded over the five (5) day period divided by the total number of Common Shares traded over the five (5) day period).

(s) "Participant" means an Eligible Person who holds Restricted Share Units.

(t) "Plan" means this Restricted Share Unit Plan, as amended or restated from time to time.

(u) "Redemption Date" means the date elected, or deemed to be elected, by the Participant to redeem Restricted Share Units.

(v) "Restricted Share Unit" means a right to acquire a fully paid and non-assessable Common Share issued from treasury in accordance with Section 3.

(w) "Restricted Share Unit Account" has the meaning given thereto in Section 3.4.

(x) "Restricted Share Unit Amount" has the meaning given thereto in Section 4.1(c)(ii).

(y) "Retirement" means a resignation of a Participant which the Committee determines should be treated as Retirement.

(z) "Separation from Service" means, with respect to a U.S. Eligible Person, any event that may qualify as a separation from service under Treasury Regulation Section 1.409A-1(h). A U.S. Eligible Person shall be deemed to have separated from service if he or she dies, retires, or otherwise has a termination of employment as defined under Treasury Regulation Section 1.409A-1(h).

(aa) "Termination Date" for a Participant who is a non-employee director of the Company or any of its subsidiaries, means the date the Participant ceases to be a director, and for all other Participants means the Participant's last day of active employment with the Company or any of its subsidiaries (other than in connection with the Participant's transfer of employment to a subsidiary of the Company), regardless of whether the Participant's termination of employment was lawful, and does not include any period of statutory, contractual, common law or other reasonable notice of termination of employment or any period of deemed employment or salary continuation.

(bb) "U.S. Eligible Person" means any Eligible Person who is a United States citizen or resident alien as defined for purposes of Section 7701(b)(1)(A) of the Code.

1.3 Effective Date of Plan

The Plan was effective as of December 9, 2010 and is amended and restated as of December 8, 2016.

1.4 **Common Shares Reserved for Issuance**

(a) A maximum of 4,000,000 Common Shares are available for issuance under this Plan, provided that Common Shares underlying Restricted Share Units which are cancelled or terminated without having been redeemed or are redeemed for cash will again be available for issuance under this Plan, provided that the Common Shares underlying a Restricted Share Unit granted prior to December 8, 2016 which is redeemed for cash will not again be available for issuance under this Plan.

(b) Under no circumstances may the Plan, together with all of the Company's other previously established or proposed security-based compensation arrangements result, at any time, in the number of Common Shares issuable pursuant to Restricted Share Units and/or other units or stock options to any one person exceeding 5% of the outstanding Common Shares.

(c) Under no circumstances may the Plan, together with all of the Company's other previously established or proposed security-based compensation arrangements, result in the number of Common Shares (i) issuable to insiders at any time, or (ii) issued to insiders within any one year period, exceeding 10% of the outstanding Common Shares.

(d) The terms "security-based compensation arrangement" and "insider" have the meanings attributed thereto in the Toronto Stock Exchange Company Manual in respect of the rules governing security-based compensation arrangements, as amended from time to time.

2. <u>ADMINISTRATION</u>

2.1 **Administration of the Plan**

Subject to the Committee reporting to the Board on all matters relating to this Plan and obtaining approval of the Board for those matters required by the Committee's mandate, the Plan shall be administered by the Committee which shall, in its sole and absolute discretion, but subject to the express provisions of the Plan, interpret the Plan, establish, amend and rescind rules and regulations relating to it and make all other determinations deemed necessary or advisable for the administration of the Plan, notwithstanding that: (i) the directors are eligible to participate in the Plan; and (ii) the directors may hold Restricted Share Units granted pursuant to the Plan. The Committee may correct any defect or supply any omission or reconcile any inconsistency in the Plan in the manner and to the extent the Committee deems, in its sole and absolute discretion, necessary or desirable. Any decision of the Board or the Committee with respect to the administration and interpretation of the Plan shall be conclusive and binding on the Eligible Person.

2.2 **Determination of Value if Common Shares Not Publicly Traded**

Should the Common Shares no longer be publicly traded at the relevant time such that the Market Value cannot be determined in accordance with the formula set out in the definition of that term, the Market Value of a Common Share shall be determined by the Board in its sole discretion.

2.3 **Taxes and Other Source Deductions**

Notwithstanding any other provision of this Plan, a Participant shall be solely responsible for all Applicable Withholding Taxes resulting from his or her receipt of Common Shares or other property pursuant to this Plan. In connection with the issuance of Common Shares pursuant to this Plan, a Participant shall, at the Participant's discretion:

(a) pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial, local or other law relating to the Applicable Withholding Taxes in connection with such issuance;

(b) authorize a securities dealer designated by the Company, on behalf of the Participant, to sell in the capital markets a portion of the Common Shares issued hereunder to realize cash proceeds to be used to satisfy the Applicable Withholding Taxes; or

(c) make other arrangements acceptable to the Company to fund the Applicable Withholding Taxes, including permitting the Company or any of its subsidiaries to withhold from any amount payable to a Participant under this Plan or otherwise.

It is the responsibility of the Participant to complete and file any tax returns which may be required under Canadian, U.S. or other applicable jurisdiction's tax laws within the periods specified in those laws as a result of the Participant's participation in the Plan.

2.4 **U.S. Eligible Persons**

Notwithstanding any other provision of the Plan to the contrary:

(a) if at the time of Separation from Service the Company's shares are publicly traded on an established securities market or otherwise, each U.S. Eligible Person who is a "specified employee" of the Company within the meaning of Section 409A(a)(2)(B)(i) of the Code and Treasury Regulation Section 1.409A-1(i) and who has elected to redeem Restricted Share Units upon a Separation from Service shall not receive any payment under the Plan with respect to such Restricted Share Units until the first day of the seventh month following the date of such U.S. Eligible Person's Separation from Service (or, if earlier, the date of death); and

(b) the acceleration of the time of any payment under the Plan is prohibited except as provided in Treasury Regulation Section 1.409A-3(j)(4) and administrative guidance promulgated under Section 409A of the Code.

With respect to U.S. Eligible Persons, all Restricted Share Unit grants under the Plan are intended to comply with Code Section 409A because all Restricted Share Units are redeemed and Common Shares are issued or an amount is paid in a lump sum on a date elected by the Participant prior to the period in respect of which the Restricted Share Units are granted. To the extent that any Restricted Share Unit grant is determined to constitute "nonqualified deferred compensation" within the meaning of Code Section 409A, the Plan is intended to be administered in compliance with Code Section 409A and any other guidance promulgated thereunder and construed and interpreted in accordance therewith. However, the Company shall have no obligation to modify the Plan or any Restricted Share Unit and does not guarantee that Restricted Share Units will not be subject to taxes, interest or penalties under Section 409A of the Code.

3. <u>RESTRICTED SHARE UNITS</u>

3.1 **Director Election**

(a) Each Eligible Person shall have the right to elect once each calendar year to receive all or any percentage of the Eligible Person's Director Remuneration in the form of Restricted Share Units. This election shall be made by completing, signing and delivering to the Secretary of the Company an Election Form: (i) in the case of an existing director, prior to the end of the calendar year preceding the year to which such election is to apply, or (ii) in the case of a new director, within 30 days of becoming eligible under the Plan. Notwithstanding the foregoing, the Committee may, from time to time, designate a certain portion of the Eligible Person's Director Remuneration which is to be received in the form of Restricted Share Units or Deferred Share Units.

(b) Eligible Persons who are not U.S. Eligible Persons shall elect on the Election Form the percentage of their Director Remuneration to be received in the form of Restricted Share Units and Deferred Share Units in accordance with the times set out above.

(c) U.S. Eligible Persons shall elect on the Election Form the percentage of their Director Remuneration to be received in the form of Restricted Share Units and Deferred Share Units and the Redemption Date for their Restricted Share Units (which Redemption Date may only be changed in accordance with the requirements of Section 409A of the Code).

(d) Elections pursuant to this Section 3.1, when made, shall be irrevocable and only apply prospectively with respect to the Eligible Person's Director Remuneration yet to be earned and may not be made during a Blackout Period. If an election in respect of a year has not been or cannot be made by an Eligible Person, the election made by the Eligible Person in respect of the preceding year shall remain in effect.

(e) All Restricted Share Units awarded pursuant to this Section 3.1 vest immediately.

3.2 **Officer Election**

(a) Each Eligible Officer shall have the right, but not the obligation, to elect once each calendar year to receive all or a specified percentage of the Eligible Officer's Annual Bonus in the form of Restricted Share Units. This election shall be made by completing, signing and delivering to the Secretary of the Company an Election Form (i) in the case of an existing Eligible Officer, prior to the end of the first calendar quarter of the calendar year in respect to which the Annual Bonus relates, or such other deadline prior to the end of the calendar year in respect to which the Annual Bonus relates as determined by the Committee from time to time, or (ii) in the case of a new Eligible Officer, within 30 days of becoming eligible under the Plan.

(b) Notwithstanding the foregoing, (i) a U.S. Eligible Person who is an existing Eligible Officer must deliver his or her Election Form prior to the end of the calendar year immediately preceding the calendar year in respect to which the Annual Bonus relates, and (ii) a U.S. Eligible Person who is a new Eligible Officer must deliver his or her Election Form within 30 days of becoming eligible under the Plan. A U.S. Eligible Person must also elect on the Election Form the Redemption Date for the Restricted Share Units (which Redemption Date may only be changed in accordance with the requirements of Section 409A of the Code).

(c) Notwithstanding Section 3.2(a), each Eligible Officer who is not a U.S. Eligible Person shall have the right to make this election by December 31, 2016 with respect to his or her Annual Bonus in respect of 2016.

(d) Elections pursuant to this Section 3.2, when made, shall be irrevocable and only apply prospectively with respect to the Eligible Officer's Annual Bonus yet to be earned and may not be made during a Blackout Period.

(e) Subject to the terms of any employment or other agreement between the Participant and the Company, or the Committee expressly providing to the contrary, and except as set forth in

Section 4.2, a Participant's Restricted Share Units granted pursuant to this Section 3.2 shall vest as to 50% on each of the first and second anniversaries of the Award Date.

3.3 **Discretionary Award of Restricted Share Units**

The Board may, in its discretion, award Restricted Share Units to Eligible Persons on such terms and conditions as it determines, including vesting and the treatment of Restricted Share Units upon the occurrence of a Termination Date, provided that (i) the aggregate annual value of Restricted Share Units granted to any non-employee director of the Company or any of its subsidiaries pursuant to this Section 3.3 (determined based on the Market Value of a Common Share on the Award Date) shall not exceed $150,000, and (ii) the number of Common Shares that may be issued pursuant to Restricted Share Units granted to non-employee directors of the Company or any of its subsidiaries pursuant to this Section 3.3 shall not exceed 1% of the outstanding Common Shares.

3.4 **Crediting of Restricted Share Units**

(a) All Restricted Share Units to be credited to a Participant will be credited to an account maintained for the Participant on the books of the Company (a "**Restricted Share Unit Account**") on the applicable Award Date.

(b) The number of Restricted Share Units to be credited as of each Award Date shall be determined by dividing (a) the amount of the Director Remuneration for the applicable calendar quarter, the Annual Bonus or the value of compensation, as applicable, to be credited in Restricted Share Units on the Award Date by (b) the Market Value of a Common Share as at the Award Date, rounded down to the nearest whole Restricted Share Unit. Notwithstanding Section 4.2, if a Participant has a Termination Date prior to the end of a calendar quarter in which he or she is entitled to be awarded Restricted Share Units in respect of Director Remuneration, such person shall be entitled to a pro-rata award of such Restricted Share Units for such calendar quarter, provided that such Restricted Share Units shall be redeemed at the later of the end of such calendar quarter and the Redemption Date, using, in the case of redemption for cash, the same Market Value as is used for the redemption of the balance of such person's Restricted Share Units.

3.5 **Matching Restricted Share Units for Eligible Officers**

(a) For every two (2) Restricted Share Units awarded to an Eligible Officer pursuant to Section 3.2 in respect of his or her Annual Bonus in respect of 2017 or thereafter, the Company shall grant such Eligible Officer one (1) additional Restricted Share Unit on the same Award Date.

(b) Subject to the terms of any employment or other agreement between the Eligible Officer and the Company, or the Committee expressly providing to the contrary, and except as set forth in Section 4.2, an Eligible Officer's Restricted Share Units granted pursuant to this Section 3.5 shall vest as to 50% on each of the first and second anniversaries of the Award Date.

3.6 **Credits for Dividends**

A Participant's Restricted Share Unit Account shall be credited with additional Restricted Share Units on each dividend payment date in respect of which ordinary course cash dividends are paid on Common Shares. Such additional Restricted Share Units shall be computed by dividing: (a) the amount obtained by multiplying the amount of the dividend declared and paid per Common Share by the number of Restricted Share Units recorded in the Participant's Restricted Share Unit Account on the record date for such dividend, by (b) the Market Value of a Common Share as at the dividend payment date, rounded down to the nearest whole Restricted Share Unit. Such additional Restricted Share Units shall be subject to the same vesting conditions applicable to the related Restricted Share Units.

3.7 **Reporting of Restricted Share Units**

Statements of the Restricted Share Unit Accounts will be provided to the Participants at least annually.

4. <u>REDEMPTION OF RESTRICTED SHARE UNITS</u>

4.1 **Redemption of Restricted Share Units**

(a) A Participant (other than a U.S. Eligible Person) may elect to redeem vested Restricted Share Units credited to the Participant's Restricted Share Unit Account at any time prior to the Expiry Date by providing a notice to the Secretary of the Company specifying the Redemption Date and whether he or she will receive Common Shares issued from treasury or cash on the redemption of the Restricted Share Units. In no event shall the Redemption Date occur after the Expiry Date. Elections pursuant to this Section 4.1 may not be made during a Blackout Period.

(b) If a Participant (other than a U.S. Eligible Person) fails to provide a notice of redemption by the Expiry Date, the Participant shall be deemed to have provided a notice of redemption to the Secretary of the Company specifying the Expiry Date as the Redemption Date and electing to receive Common Shares on the redemption.

(c) On or within ten business days after the Redemption Date, the Company shall:

(i) issue from treasury one Common Share for each whole vested Restricted Share Unit being redeemed;

(ii) at the election of the Participant, pay to the Participant a lump sum amount (the "**Restricted Share Unit Amount**") equal to: (A) the number of vested Restricted Share Units being redeemed, multiplied by (B) the Market Value of a Common Share as at the Redemption Date, minus (C) any Applicable Withholding Taxes; or

(iii) a combination of (i) and (ii).

(d) In the case of a redemption pursuant to Section 4.1(c)(i), the issuance of Common Shares shall be subject to Section 2.3. Upon the issuance of Common Shares or the payment of the Restricted Share Unit Amount, such redeemed Restricted Share Units shall be cancelled and such Eligible Person shall have no further rights under the Plan with respect to such redeemed Restricted Share Units. No fractional Common Shares shall be issued under the Plan.

4.2 **Death, Disability, Retirement, Termination without Just Cause or Constructive Dismissal of Participant Prior to Redemption**

If a Participant's employment with the Company or any of its subsidiaries ceases as a result of the death, Disability or Retirement of the Participant, the Participant being terminated without Just Cause or the Participant resigning in circumstances constituting constructive dismissal as interpreted by applicable law, all unvested Restricted Share Units held by the Participant on the Participant's Termination Date shall immediately vest. Such Restricted Share Units and all other vested Restricted Share Units in the Participant's Restricted Share Unit Account on the Participant's Termination Date may be redeemed by the Participant in accordance with Section 4.1, provided that, in the event of the Participant's death, the legal representatives of the estate of such Participant may elect the Redemption Date in respect of the Restricted Share Units and whether they will receive cash or Common Shares on the redemption, and the Common Shares or cash that would have otherwise been issued or payable to such Participant under Section 4.1 shall be transferred or paid to the legal representatives of the estate of such Participant.

4.3 **Termination for Just Cause or Resignation Prior to Redemption**

If a Participant resigns from the Company or one of its subsidiaries (in circumstances not constituting Retirement or constructive dismissal as interpreted by applicable law) or a Participant's employment with the Company or one of its subsidiaries is terminated for Just Cause, all unvested Restricted Share Units held by the Participant on the Participant's Termination Date shall automatically terminate on the Termination Date and be of no further force or effect. Any vested Restricted Share Units in the Participant's Restricted Share Unit Account on the Participant's Termination Date may be redeemed by the Participant in accordance with Section 4.1.

5. GENERAL

5.1 **Capital Adjustments**

In the event of the declaration of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, spin-off, or other distribution (other than normal cash dividends) of the Company's assets to its shareholders, or any other change in the capital of the Company affecting Common Shares, the Committee will make such proportionate adjustments, if any, as the Committee, in its discretion may deem appropriate to reflect such change (for the purpose of preserving the value of the Restricted Share Units), with respect to (i) the number or kind of shares or other securities reserved for issuance pursuant to this Plan; (ii) the number or kind of shares or other securities subject to Restricted Share Units; and (iii) the number of Restricted Share Units in the Restricted Share Unit Accounts, provided, however, that no adjustment will obligate the Company to issue or sell fractional securities.

5.2 **Amendment, Suspension, or Termination of Plan**

(a) The Committee may amend or suspend any provision of the Plan, or terminate the Plan, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange), if any, that require the approval of shareholders or any governmental or regulatory body regardless of whether any such amendment or suspension is material, fundamental or otherwise, and notwithstanding any rule of common law or equity to the contrary. However, except as expressly set forth herein or as required pursuant to applicable law, no action of the Committee or shareholders may adversely alter or impair the rights of a Participant without the consent of the affected Participant under any Restricted Share Unit previously granted to the Participant. Without limiting the generality of the foregoing, the Committee may make the following types of amendments to this Plan or any Restricted Share Units without seeking shareholder approval:

(i) amendments of a "housekeeping" or administrative nature, including any amendment for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;

(ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange);

(iii) amendments necessary for Restricted Share Units to qualify for favourable treatment under applicable tax laws;

(iv) amendments to the vesting provisions of this Plan or any Restricted Share Unit;

(v) amendments to the termination or early termination provisions of this Plan or any Restricted Share Unit, whether or not such Restricted Share Unit is held by an insider; and

(vi) amendments necessary to suspend or terminate this Plan.

(b) Shareholder approval will be required for the following types of amendments:

(i) amendments to increase the number of Common Shares issuable under the Plan, other than pursuant to Section 5.1, including an increase to a fixed maximum number of Common Shares or a change from a fixed maximum number of Common Shares to a fixed maximum percentage;

(ii) any amendment to remove or to exceed the insider participation limits set out in Section 1.4(c);

(iii) any amendment extending the term of a Restricted Share Unit or any rights pursuant thereto held by an insider beyond its original Expiry Date;

(iv) any amendment that increases the limits previously imposed on non-employee director participation;

(v) any amendment which would allow for the transfer or assignment of Restricted Share Units under this Plan, other than for normal estate settlement purposes;

(vi) amendments to this Section 5.2; and

(vii) amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange).

(c) If this Plan is terminated, the provisions of this Plan and any administrative guidelines, and other rules adopted by the Board or the Committee and in force at the time of this Plan, will continue in effect as long as a Restricted Share Unit or any rights pursuant thereto remain outstanding. However, notwithstanding the termination of the Plan, the Committee may make any amendments to the Plan or the Restricted Share Units it would be entitled to make if the Plan were still in effect.

(d) With the consent of the Participant affected thereby, the Committee may amend or modify any outstanding Restricted Share Unit in any manner to the extent that the Committee would have had the authority to initially grant the award as so modified or amended.

5.3 **Compliance with Laws**

The Company's obligation to issue and deliver Common Shares under any Restricted Share Unit is subject to: (i) the completion of such registration or other qualification of such Common Shares or obtaining approval of such regulatory authority as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (ii) the admission of such Common Shares to listing on any stock exchange on which such Common Shares may then be listed; and (iii) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Common Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Company shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Common Shares in compliance with applicable securities laws and for the listing of such Common Shares on any stock exchange on which such Common Shares are then listed. Restricted Share Units may not be granted with an Award Date or effective date earlier than the date on which all actions required to grant the Restricted Share Units have been completed.

5.4 **Reorganization of the Company**

The existence of any Restricted Share Units shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

5.5 **Unfunded Plan**

To the extent any individual holds any rights under the Plan, such rights (unless otherwise determined by the Committee) shall be no greater than the rights of an unsecured general creditor of the Company.

5.6 **Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Company and each Eligible Person, including without limitation, the legal representative of an Eligible Person, or any receiver or trustee in bankruptcy or representative of the creditors of the Company or an Eligible Person.

5.7 **Transferability of Awards**

Rights respecting Restricted Share Units shall not be transferable or assignable other than by will or the laws of descent and distribution.

5.8 **No Right to Service or Employment**

Neither participation in the Plan nor any action taken under the Plan shall give or be deemed to give any Eligible Person a right to continue appointment as a member of the Board or to the continuation of the Eligible Person's employment with the Company or any of its subsidiaries and shall not interfere with any right of the shareholders of the Company to remove any Eligible Person as a member of the Board or the right of the Company or any of its subsidiaries to terminate the employment of any employee at any time or to increase or decrease the compensation of an Eligible Person. Participation in the Plan by an Eligible Person shall be voluntary.

5.9 **No Shareholder Rights**

Under no circumstances shall Restricted Share Units be considered Common Shares or shares of any other class of the Company, nor entitle any Eligible Person to exercise voting rights or any other rights attaching to the ownership of Common Shares, nor shall any Eligible Person be considered the owner of the Common Shares by virtue of the award of Restricted Share Units.

5.10 **Governing Law**

The Plan shall be governed by, and interpreted in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

5.11 **Interpretation**

In this Plan words importing the singular meaning shall include the plural and *vice versa*, and the words importing the masculine shall include the feminine and neuter genders.

5.12 **Severability**

The invalidity or unenforceability of any provision of this Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from this Plan.

5.13 **No Liability**

The Company shall not be liable to any Participant for any loss resulting from a decline in the market value of the Common Shares.

5.14 **Non-Exclusivity**

Nothing contained herein shall prevent the Board or the Committee from adopting other or additional compensation arrangements for the benefit of any Participant, subject to any required regulatory or shareholder approval.

SCHEDULE A
CENTERRA GOLD INC. (the "Company")
DIRECTOR ANNUAL ELECTION FORM FOR NON-U.S. ELIGIBLE PERSONS

1. Remuneration

I understand that I must elect to take a portion of my annual retainer in the form of Restricted Share Units or Deferred Share Units. For the __________ calendar year, I can receive Restricted Share Units and/or Deferred Share Units with a value (as determined in accordance with the Company's Amended and Restated Restricted Share Unit Plan (the "**Plan**") or the Company's Deferred Share Unit Plan for Directors (the "**DSU Plan**"), as applicable) of between C$110,500 and C$160,500.

I further understand that the proportion of Restricted Share Units and/or Deferred Share Units that I receive is at my election.

Election ONE:

I elect to receive C$___________ (an amount between C$110,500 and C$160,500) of my annual retainer in respect of the ________ calendar year in the form of Restricted Share Units and/or Deferred Share Units (the "**Elected Amount**").

Election TWO:

I elect to receive my Elected Amount for the _______ calendar year as follows:

A. ____% (choose an amount from 0% to 100%) as Restricted Share Units

- AND -

B. _____% (choose an amount from 0% to 100%) as Deferred Share Units

____

100%

2. I understand that:

(a) all capitalized terms used in this Election Form shall have the meanings attributed to them under the Plan;

(b) all payments will be net of any Applicable Withholding Taxes;

(c) once submitted, this Election Form is irrevocable; and

(d) this Election Form and my receipt of any Restricted Share Units and Deferred Share Units are subject to the terms and conditions of the Plan or the DSU Plan, respectively, copies of which have been provided to me by the Company, and all of which are incorporated into and form part of this Election Form.

3. I agree to provide the Company with all information (including personal information) required by the Company to administer the Plan. I acknowledge that such information may be disclosed to the Board, the

Committee or such other officers, employees and other persons involved in the administration of the Plan and hereby consent to such disclosure.

______________________________	)	______________________________
Witness Signature	)	Eligible Person Signature
	)	
______________________________	)	______________________________
Witness Name (please print)	)	Eligible Person Name (please print)
	)	
	)	______________________________
	)	Date

SCHEDULE B
CENTERRA GOLD INC. (the "Company")
DIRECTOR ANNUAL ELECTION FORM FOR U.S. ELIGIBLE PERSONS

1. Remuneration

I understand that I must elect to take a portion of my annual retainer in the form of Restricted Share Units or Deferred Share Units. For the __________ calendar year, I can receive Restricted Share Units and/or Deferred Share Units with a value (as determined in accordance with the Company's Amended and Restated Restricted Share Unit Plan (the "**Plan**") or the Company's Deferred Share Unit Plan for Directors (the "**DSU Plan**"), as applicable) of between C$110,500 and C$160,500.

I further understand that the proportion of Restricted Share Units and/or Deferred Share Units that I receive is at my election.

Election ONE:

I elect to receive C$___________ (an amount between C$110,500 and C$160,500) of my annual retainer in respect of the ________ calendar year in the form of Restricted Share Units and/or Deferred Share Units (the "**Elected Amount**").

Election TWO:

I elect to receive my Elected Amount for the _______ calendar year as follows:

A. ____% (choose an amount from 0% to 100%) as Restricted Share Units

- AND -

B. _____% (choose an amount from 0% to 100%) as Deferred Share Units

____
100%

2. Redemption

I elect to redeem the Restricted Share Units credited to me in accordance with my election in Section 1 above and any additional Restricted Share Units credited to me with respect to dividends under Section 3.6 of the Plan on the earlier of_________________(date elected for redemption) and the date of my Separation from Service from the Company.

3. I understand that:

(a) all capitalized terms used in this Election Form shall have the meanings attributed to them under the Plan;

(b) all payments will be net of any Applicable Withholding Taxes;

(c) once submitted, this Election Form is irrevocable; and

(d) this Election Form and my receipt of any Restricted Share Units and Deferred Share Units are subject to the terms and conditions of the Plan or the DSU Plan, respectively, copies of which have been provided to me by the Company, and all of which are incorporated into and form part of this Election Form.

4. I agree to provide the Company with all information (including personal information) required by the Company to administer the Plan. I acknowledge that such information may be disclosed to the Board, the Committee or such other officers, employees and other persons involved in the administration of the Plan and hereby consent to such disclosure.

	)	
______________________________	)	______________________________
Witness Signature	)	Eligible Person Signature
______________________________	)	______________________________
Witness Name (please print)	)	Eligible Person Name (please print)
	)	
	)	______________________________
	)	Date

SCHEDULE C

CENTERRA GOLD INC. AMENDED AND RESTATED RESTRICTED SHARE UNIT PLAN (the "Plan")

OFFICER ANNUAL ELECTION FORM FOR ANNUAL BONUS DEFERRAL (NON-U.S. ELIGIBLE PERSONS)

1. **<u>Annual Bonus</u>**

I elect to receive the following percentage of my Annual Bonus in respect of 20_____ in the form of Restricted Share Units: (Check one box)

☐ 0% ☐ 25% ☐ 50% ☐ 75% ☐ 100%

2. **I understand that:**

(a) all capitalized terms used in this Election Form shall have the meanings attributed to them under the Plan;

(b) all payments will be net of any Applicable Withholding Taxes;

(c) notwithstanding Section 4.1 of the Plan or any other provision to the contrary in the Plan, the Restricted Share Units credited to me in accordance with my election in Section 1 above and any additional Restricted Share Units credited to me with respect to dividends under Section 3.6 of the Plan may only be redeemed for Common Shares issued from treasury and I may not elect to receive the Restricted Share Unit Amount in cash;

(d) once submitted, this Election Form is irrevocable;

(e) **[my receipt of any Restricted Share Units hereunder are subject to ratification by the shareholders of the Company at the next annual meeting of shareholders by an affirmative vote of at least a majority of the votes cast at the meeting by the shareholders present in person or represented by proxy and entitled to vote at the meeting, failing which such Restricted Share Units will be forfeited and the amount of my Annual Bonus elected to be received in the form of Restricted Share Units hereunder will be paid to me in cash within 15 business days following such annual meeting of shareholders of the Company]; [NTD: To be included for any elections in respect of the 2016 Annual Bonus only.]**

(f) this Election Form and my receipt of any Restricted Share Units are subject to the terms and conditions of the Plan, a copy of which have been provided to me by the Company, and all of which is incorporated into and forms part of this Election Form; and

(g) as soon as practicable following the Award Date, the Company will advise me of the number of Restricted Share Units to be granted in connection with my election hereunder pursuant to the terms of the Plan.

3. I confirm and acknowledge that I have not been induced to file this election form or acquire any Restricted Share Units by expectation of employment or continued employment with the Company or any of its subsidiaries. I confirm and acknowledge that I have reviewed a copy of the Plan, including the early termination provisions set out in Section 4 of the Plan.

4. I agree to provide the Company with all information (including personal information) required by the Company to administer the Plan. I acknowledge that such information may be disclosed to the Board, the Committee or such other officers, employees and other persons involved in the administration of the Plan and hereby consent to such disclosure.

______________________________	)	______________________________
Witness Signature	)	Eligible Person Signature
	)	
______________________________	)	______________________________
Witness Name (please print)	)	Eligible Person Name (please print)
	)	
	)	______________________________
	)	Date

SCHEDULE D

CENTERRA GOLD INC. AMENDED AND RESTATED RESTRICTED SHARE UNIT PLAN (the "Plan")

OFFICER ANNUAL ELECTION FORM FOR ANNUAL BONUS DEFERRAL (U.S. ELIGIBLE PERSONS)

1. **Annual Bonus**

I elect to receive the following percentage of my Annual Bonus in respect of 20___ in the form of Restricted Share Units: (Check one box)

☐ 0% ☐ 25% ☐ 50% ☐ 75% ☐ 100%

2. **Redemption**

I elect to redeem the Restricted Share Units credited to me in accordance with my election in Section 1 above and any additional Restricted Share Units credited to me with respect to dividends under Section 3.6 of the Plan on the earlier of_________________(date elected for redemption) and the date that is six months following my Separation from Service from the Company.

3. **I understand that:**

(a) all capitalized terms used in this Election Form shall have the meanings attributed to them under the Plan;

(b) all payments will be net of any Applicable Withholding Taxes;

(c) notwithstanding Section 4.1(c) of the Plan or any other provision to the contrary in the Plan, the Restricted Share Units credited to me in accordance with my election in Section 1 above and any additional Restricted Share Units credited to me with respect to dividends under Section 3.6 of the Plan may only be redeemed for Common Shares issued from treasury and I may not elect to receive the Restricted Share Unit Amount in cash;

(d) once submitted, this Election Form is irrevocable;

(e) this Election Form and my receipt of any Restricted Share Units are subject to the terms and conditions of the Plan, a copy of which have been provided to me by the Company, and all of which is incorporated into and forms part of this Election Form; and

(f) as soon as practicable following the Award Date, the Company will advise me of the number of Restricted Share Units to be granted in connection with my election hereunder pursuant to the terms of the Plan.

4. I confirm and acknowledge that I have not been induced to file this election form or acquire any Restricted Share Units by expectation of employment or continued employment with the Company or any

of its subsidiaries. I confirm and acknowledge that I have reviewed a copy of the Plan, including the early termination provisions set out in Section 4 of the Plan.

5. I agree to provide the Company with all information (including personal information) required by the Company to administer the Plan. I acknowledge that such information may be disclosed to the Board, the Committee or such other officers, employees and other persons involved in the administration of the Plan and hereby consent to such disclosure.

______________________________	)	______________________________
Witness Signature	)	Eligible Person Signature
	)	
______________________________	)	______________________________
Witness Name (please print)	)	Eligible Person Name (please print)
	)	
	)	______________________________
	Date	

CENTERRA GOLD INC. (the "Company")
DIRECTOR ANNUAL ELECTION FORM FOR NON-U.S. ELIGIBLE PERSONS

1. **Remuneration**

I understand that I must elect to take a portion of my annual retainer in the form of Restricted Share Units or Deferred Share Units. For the __________ calendar year, I can receive Restricted Share Units and/or Deferred Share Units with a value (as determined in accordance with the Company's Amended and Restated Restricted Share Unit Plan (the "**Plan**") or the Company's Deferred Share Unit Plan for Directors (the "**DSU Plan**"), as applicable) of between C$110,500 and C$160,500.

I further understand that the proportion of Restricted Share Units and/or Deferred Share Units that I receive is at my election.

Election ONE:

I elect to receive C$__________ (an amount between C$110,500 and C$160,500) of my annual retainer in respect of the ________ calendar year in the form of Restricted Share Units and/or Deferred Share Units (the "**Elected Amount**").

Election TWO:

I elect to receive my Elected Amount for the _______ calendar year as follows:

A. ____% (choose an amount from 0% to 100%) as Restricted Share Units

- AND -

B. _____% (choose an amount from 0% to 100%) as Deferred Share Units

____

100%

2. **I understand that:**

(a) all capitalized terms used in this Election Form shall have the meanings attributed to them under the Plan;

(b) all payments will be net of any Applicable Withholding Taxes;

(c) once submitted, this Election Form is irrevocable; and

(d) this Election Form and my receipt of any Restricted Share Units and Deferred Share Units are subject to the terms and conditions of the Plan or the DSU Plan, respectively, copies of which have been provided to me by the Company, and all of which are incorporated into and form part of this Election Form.

3. I agree to provide the Company with all information (including personal information) required by the Company to administer the Plan. I acknowledge that such information may be disclosed to the Board, the Committee or such other officers, employees and other persons involved in the administration of the Plan and hereby consent to such disclosure.

	)	
______________________________	)	______________________________
Witness Signature	)	Eligible Person Signature
	)	
______________________________	)	______________________________
Witness Name (please print)	)	Eligible Person Name (please print)
	)	
	)	______________________________
	)	Date

CENTERRA GOLD INC. (the "Company")
DIRECTOR ANNUAL ELECTION FORM FOR U.S. ELIGIBLE PERSONS

1. **Remuneration**

I understand that I must elect to take a portion of my annual retainer in the form of Restricted Share Units or Deferred Share Units. For the __________ calendar year, I can receive Restricted Share Units and/or Deferred Share Units with a value (as determined in accordance with the Company's Amended and Restated Restricted Share Unit Plan (the "**Plan**") or the Company's Deferred Share Unit Plan for Directors (the "**DSU Plan**"), as applicable) of between C$110,500 and C$160,500.

I further understand that the proportion of Restricted Share Units and/or Deferred Share Units that I receive is at my election.

Election ONE:

I elect to receive C$___________ (an amount between C$110,500 and C$160,500) of my annual retainer in respect of the ________ calendar year in the form of Restricted Share Units and/or Deferred Share Units (the "**Elected Amount**").

Election TWO:

I elect to receive my Elected Amount for the _______ calendar year as follows:

A. ____% (choose an amount from 0% to 100%) as Restricted Share Units

- AND -

B. _____% (choose an amount from 0% to 100%) as Deferred Share Units

____
100%

2. **Redemption**

I elect to redeem the Restricted Share Units credited to me in accordance with my election in Section 1 above and any additional Restricted Share Units credited to me with respect to dividends under Section 3.6 of the Plan on the earlier of_________________(date elected for redemption) and the date of my Separation from Service from the Company.

4. I understand that:

(a) all capitalized terms used in this Election Form shall have the meanings attributed to them under the Plan;

(b) all payments will be net of any Applicable Withholding Taxes;

(c) once submitted, this Election Form is irrevocable; and

(d) this Election Form and my receipt of any Restricted Share Units and Deferred Share Units are subject to the terms and conditions of the Plan or the DSU Plan, respectively, copies of which have been provided to me by the Company, and all of which are incorporated into and form part of this Election Form.

5. I agree to provide the Company with all information (including personal information) required by the Company to administer the Plan. I acknowledge that such information may be disclosed to the Board, the Committee or such other officers, employees and other persons involved in the administration of the Plan and hereby consent to such disclosure.

______________________________	)	______________________________
Witness Signature	)	Eligible Person Signature
	)	
______________________________	)	______________________________
Witness Name (please print)	)	Eligible Person Name (please print)
	)	
	)	______________________________
	)	Date

CENTERRA GOLD INC. AMENDED AND RESTATED RESTRICTED SHARE UNIT PLAN (the "Plan")

OFFICER ANNUAL ELECTION FORM FOR ANNUAL BONUS DEFERRAL (NON-U.S. ELIGIBLE PERSONS)

1. <u>Annual Bonus</u>

I elect to receive the following percentage of my Annual Bonus in respect of 20_____ in the form of Restricted Share Units: (Check one box)

☐ 0% ☐ 25% ☐ 50% ☐ 75% ☐ 100%

6. I understand that:

(a) all capitalized terms used in this Election Form shall have the meanings attributed to them under the Plan;

(b) all payments will be net of any Applicable Withholding Taxes;

(c) notwithstanding Section 4.1 of the Plan or any other provision to the contrary in the Plan, the Restricted Share Units credited to me in accordance with my election in Section 1 above and any additional Restricted Share Units credited to me with respect to dividends under Section 3.6 of the Plan may only be redeemed for Common Shares issued from treasury and I may not elect to receive the Restricted Share Unit Amount in cash;

(d) once submitted, this Election Form is irrevocable;

(e) **[my receipt of any Restricted Share Units hereunder are subject to ratification by the shareholders of the Company at the next annual meeting of shareholders by an affirmative vote of at least a majority of the votes cast at the meeting by the shareholders present in person or represented by proxy and entitled to vote at the meeting, failing which such Restricted Share Units will be forfeited and the amount of my Annual Bonus elected to be received in the form of Restricted Share Units hereunder will be paid to me in cash within 15 business days following such annual meeting of shareholders of the Company]; [NTD: To be included for any elections in respect of the 2016 Annual Bonus only.]**

(f) this Election Form and my receipt of any Restricted Share Units are subject to the terms and conditions of the Plan, a copy of which have been provided to me by the Company, and all of which is incorporated into and forms part of this Election Form; and

(g) as soon as practicable following the Award Date, the Company will advise me of the number of Restricted Share Units to be granted in connection with my election hereunder pursuant to the terms of the Plan.

7. I confirm and acknowledge that I have not been induced to file this election form or acquire any Restricted Share Units by expectation of employment or continued employment with the Company or any of its subsidiaries. I confirm and acknowledge that I have reviewed a copy of the Plan, including the early termination provisions set out in Section 4 of the Plan.

8. I agree to provide the Company with all information (including personal information) required by the Company to administer the Plan. I acknowledge that such information may be disclosed to the Board, the

Committee or such other officers, employees and other persons involved in the administration of the Plan and hereby consent to such disclosure.

_______________________________	)	_______________________________
Witness Signature	)	Eligible Person Signature
	)	
_______________________________	)	_______________________________
Witness Name (please print)	)	Eligible Person Name (please print)
	)	
	)	_______________________________
	)	Date

CENTERRA GOLD INC. AMENDED AND RESTATED RESTRICTED SHARE UNIT PLAN (the "Plan")

OFFICER ANNUAL ELECTION FORM FOR ANNUAL BONUS DEFERRAL (U.S. ELIGIBLE PERSONS)

1. Annual Bonus

I elect to receive the following percentage of my Annual Bonus in respect of 20____ in the form of Restricted Share Units: (Check one box)

☐ 0% ☐ 25% ☐ 50% ☐ 75% ☐ 100%

9. Redemption

I elect to redeem the Restricted Share Units credited to me in accordance with my election in Section 1 above and any additional Restricted Share Units credited to me with respect to dividends under Section 3.6 of the Plan on the earlier of_________________(date elected for redemption) and the date that is six months following my Separation from Service from the Company.

10. I understand that:

(a) all capitalized terms used in this Election Form shall have the meanings attributed to them under the Plan;

(b) all payments will be net of any Applicable Withholding Taxes;

(c) notwithstanding Section 4.1(c) of the Plan or any other provision to the contrary in the Plan, the Restricted Share Units credited to me in accordance with my election in Section 1 above and any additional Restricted Share Units credited to me with respect to dividends under Section 3.6 of the Plan may only be redeemed for Common Shares issued from treasury and I may not elect to receive the Restricted Share Unit Amount in cash;

(d) once submitted, this Election Form is irrevocable;

(e) this Election Form and my receipt of any Restricted Share Units are subject to the terms and conditions of the Plan, a copy of which have been provided to me by the Company, and all of which is incorporated into and forms part of this Election Form; and

(f) as soon as practicable following the Award Date, the Company will advise me of the number of Restricted Share Units to be granted in connection with my election hereunder pursuant to the terms of the Plan.

11. I confirm and acknowledge that I have not been induced to file this election form or acquire any Restricted Share Units by expectation of employment or continued employment with the Company or any of its subsidiaries. I confirm and acknowledge that I have reviewed a copy of the Plan, including the early termination provisions set out in Section 4 of the Plan.

12. I agree to provide the Company with all information (including personal information) required by the Company to administer the Plan. I acknowledge that such information may be disclosed to the Board, the Committee or such other officers, employees and other persons involved in the administration of the Plan and hereby consent to such disclosure.

Witness Signature	))	Eligible Person Signature
	)	
Witness Name (please print)	))	Eligible Person Name (please print)
	))	Date

APPENDIX B
CENTERRA GOLD INC.
EMPLOYEE SHARE PURCHASE PLAN

1. **Purpose.** This Plan is intended to provide employees of the Company and other Participating Entities with an opportunity to acquire a proprietary interest in the Company through the purchase of Shares.

2. **Definitions.** For the purposes of the Plan, the following terms have the following meanings:

"**Administrative Agent**" means the administrative agent or other entity designated by the Company, from time to time, to maintain ESPP Share Accounts on behalf of Participants who have purchased Shares under the Plan.

"**Blackout Period**" means a period during which the Eligible Person is prohibited from trading in securities of the Company pursuant to the Company's Disclosure and Insider Trading Policy.

"**Board**" means the board of directors of the Company, as constituted from time to time.

"**Committee**" means the committee of the Board responsible for recommending to the Board the compensation of the executive officers and other employees, which, as at the effective date of the Plan, is the Human Resources and Compensation Committee.

"**Company**" means Centerra Gold Inc., and any successor thereto.

"**Compensation**" means the base salary or base hourly wages for non-overtime work hours paid to an Eligible Employee by a Participating Entity as compensation for services to the Participating Entity, excluding payments, if any, for incentive compensation, bonuses or any other special remuneration.

"**Contribution Period**" means the period of time during which Participant payroll deductions are accumulated for the purchase of Shares on the Purchase Date. Pursuant to Section 7, the Committee may change the duration of future Contribution Periods and/or the start and end dates of future Contribution Periods.

"**Corporate Transaction**" means a sale or conveyance of all or substantially all of the property and assets of the Company or any merger, consolidation, amalgamation, combination or offer to acquire all of the outstanding Shares or other similar transaction.

"**Eligible Employee**" means a permanent full-time or permanent part-time Employee who has completed three (3) months of continuous employment service to a Participating Entity. The Committee may from time to time establish different eligibility standards for Employees.

"**Employee**" means any person who renders services to a Participating Entity as an employee pursuant to an employment relationship with such employer. For purposes of the Plan, the employment relationship shall be treated as continuing intact while the individual is on military leave, sick leave or other leave of absence approved by a Participating Entity.

"**Employer Contributions**" means the amount of money contributed by a Participating Entity in respect of a Participant as described in Section 8.2.

"**Enrollment Form**" means an agreement pursuant to which an Eligible Employee may elect to enroll in the Plan, to authorize a new level of payroll deductions, or to stop payroll deductions and withdraw from the Plan.

“**ESPP Share Account**” means an account into which Shares purchased with accumulated payroll deductions, Employer Contributions and cash dividends are held on behalf of a Participant.

“**Fair Market Value**” means the volume weighted average trading price of the Shares on the Toronto Stock Exchange for the five (5) Trading Days immediately prior to the applicable day (calculated as the total value of Shares traded over the five (5) day period divided by the total number of Shares traded over the five (5) day period).

“**Initial Contribution Period**” means the first Contribution Period of the Plan, beginning July 1, 2017, and ending September 30, 2017.

“**Participant**” means an Eligible Employee who is actively participating in the Plan.

“**Participating Entity**” means the Company and any subsidiary of the Company.

“**Plan**” means this Employee Share Purchase Plan, as amended or restated from time to time.

“**Purchase Date**” means the last Trading Day of each Contribution Period.

“**Share**” means a common share of the Company.

“**subsidiary**” means any entity that is a “subsidiary” for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time.

“**Termination Date**” means the Participant’s last day of active employment with a Participating Entity (other than in connection with the Participant’s transfer of employment to another Participating Entity), regardless of whether the Participant’s termination of employment was lawful, and does not include any period of statutory, contractual, common law or other reasonable notice of termination of employment or any period of deemed employment or salary continuation.

“**Trading Day**” means any day on which the Toronto Stock Exchange is open for trading.

3. **Interpretation.** Where the context so requires, words importing the singular number include the plural and vice versa, and words importing any gender include any other gender. Whenever the Board or Committee is entitled to exercise discretion in the administration of the Plan, the term “discretion” means the sole and absolute discretion of the Board or Committee, as applicable.

4. **Currency.** Unless otherwise specifically provided, all references to dollars in this Plan are references to Canadian dollars.

5. **Administration.** Subject to the Committee reporting to the Board on all matters relating to this Plan and obtaining approval of the Board for those matters required by the Committee’s mandate, the Plan will be administered by the Committee and the Committee has complete authority, in its discretion, to interpret the provisions of this Plan. In administering and interpreting the Plan, the Committee may adopt, amend and rescind administrative guidelines and other rules and regulations relating to this Plan and make all other determinations and take all other actions necessary or advisable for the implementation and administration of this Plan, including without limitation adopting sub-plans applicable to particular Participating Entities or locations, which the Committee determines, in its discretion, are necessary or advisable. The Committee’s determinations and actions within its authority under this Plan are final, conclusive and binding on the Company, its subsidiaries and all other persons. The Company shall pay all expenses incurred in the administration of the Plan except for brokerage fees or expenses associated with the sale or transfer of Shares by a Participant, which fees and expenses shall be borne by the Participant. The day-to-day

administration of the Plan may be delegated to such officers and employees of the Company or any of its subsidiaries as the Committee determines.

6. **Eligibility.** Unless otherwise determined by the Committee, any individual who is an Eligible Employee as of the first day of the enrollment period designated by the Committee for a particular Contribution Period shall be eligible to participate in such Contribution Period.

7. **Contribution Periods.** The Plan shall be implemented by a series of Contribution Periods. The first Contribution Period shall be the Initial Contribution Period (beginning July 1, 2017 and ending September 30, 2017). Thereafter, each Contribution Period shall be three (3) months in duration, with new Contribution Periods commencing on October 1, January 1, April 1 and July 1 of each year (or such other times as determined by the Committee). The Committee shall have the authority to change the duration, frequency, start and end dates of Contribution Periods.

8. **Participation.**

8.1 Enrollment; Payroll Deductions. An Eligible Employee may elect to participate in the Plan in a Contribution Period by properly completing and submitting an Enrollment Form not later than 30 days prior to the first day of such Contribution Period (or within such other timeframe as determined from time to time by the Committee). Such Enrollment Form shall be submitted in accordance with the enrollment procedures established by the Committee from time to time. Participation in the Plan is entirely voluntary. By submitting an Enrollment Form, the Eligible Employee authorizes payroll deductions from his or her Compensation in an amount in whole percentages equal to at least one percent (1%), but not more than ten percent (10%) of his or her Compensation on each pay day occurring during a Contribution Period (or such other maximum percentage as the Committee may establish from time to time before a Contribution Period begins); provided, however, that in no event shall the number of Shares acquired by the Participant under this Plan in any calendar year exceed 15,000 (or such other maximum number of Shares as determined from time to time by the Committee). Payroll deductions shall commence on the first payroll date during the Contribution Period and end on the last payroll date on or before the Purchase Date. The Company shall maintain records of all payroll deductions but shall have no obligation to pay interest on payroll deductions or to hold such amounts in a trust or in any segregated account.

8.2 Employer Contributions. If a Participant has authorized payroll deductions during a Contribution Period, the applicable Participating Entity shall make an Employer Contribution equal to 25% of the Participant's payroll deductions during that Contribution Period. Notwithstanding the foregoing, if a Participating Entity is required under applicable law to fund the amount of any applicable income or payroll tax on the Employer Contribution on behalf of the Participant, the Employer Contribution shall equal 25% of the Participant's payroll deductions during the Contribution Period less any such income or payroll taxes. The Employer Contribution shall be combined with the Participant's accumulated payroll deductions and shall be used to purchase Shares on the Purchase Date.

8.3 Election Changes. A Participant may, once per Contribution Period, decrease his or her rate of payroll deductions for the next Contribution Period by submitting a new Enrollment Form authorizing the new rate of payroll deduction not later than 30 days prior to the first day of such next Contribution Period (or within such other timeframe as determined from time to time by the Committee). A Participant may, once per calendar year, increase his or her rate of payroll deductions for the next Contribution Period by submitting a new Enrollment Form authorizing the new rate of payroll deduction not later than 30 days prior to the first day of such next Contribution Period (or within such other timeframe as determined from time to time by the Committee). Any changes made after such time will not become effective until the subsequent Contribution Period. Notwithstanding the foregoing, to the extent necessary to comply with any applicable limits on the amount of payroll deductions, a Participant's rate of payroll deductions may be decreased by the Company to as low as 0% at any time during a Contribution Period.

8.4 Automatic Re-enrollment. The deduction rate selected in the Enrollment Form shall remain in effect for subsequent Contribution Periods unless the Participant (i) submits a new Enrollment Form authorizing a new level of payroll deductions in accordance with Section 8.3, (ii) withdraws from the Plan in accordance with Section 11, or (iii) ceases to be employed by a Participating Entity as an Eligible Employee or otherwise becomes ineligible to participate in the Plan.

8.5 Blackout Periods. Notwithstanding any other provision of the Plan, if a Blackout Period is in effect, (i) an Eligible Employee subject to the Blackout Period may not enroll until after the end of the Blackout Period, and (ii) a Participant subject to the Blackout Period may not make changes to authorized payroll deductions, or voluntarily withdraw from the Plan until after the end of the Blackout Period.

9. Purchase of Shares. On the Purchase Date of each Contribution Period, the Participant's accumulated payroll deductions and Employer Contributions held in the Participant's notional account will be used to purchase the maximum number of whole Shares that can be purchased, with the remainder to be allocated to the Participant's notional account in cash. Where such purchases are satisfied by the Company through the issuance of Shares from treasury, the number of Shares to be purchased will be determined by dividing the Participant's accumulated payroll deductions and Employer Contributions held in the Participant's notional account by the Fair Market Value on the Purchase Date. No fractional Shares may be purchased.

10. **Transfer of Shares; Dividends.**

10.1 As soon as reasonably practicable after each Purchase Date, the Company will arrange for the delivery to each Participant of the Shares purchased on the Purchase Date. Alternatively, other evidence of ownership of the Shares will be sent to the Participant if the Shares are to be held in book-entry form. The Shares will be deposited directly into an ESPP Share Account established in the name of the Participant with the Administrative Agent. Whole Shares allocated to a Participant's ESPP Share Account shall be voted in accordance with the directions, if any, of the applicable Participant.

10.2 Cash dividends, if any, paid with respect to the Shares held in the ESPP Share Account under the Plan shall be automatically reinvested in Shares. Any share dividend or other distribution made to holders of Shares will be credited to and held in the Participant's ESPP Share Account. The Committee shall have the right at any time or from time to time upon notice to Participants to change the default dividend reinvestment policy.

11. **Withdrawal.**

11.1 Withdrawal Procedure. A Participant may withdraw from participation in the Plan by following the established administrative procedures as directed by the Committee, or other entity designated by the Committee. The withdrawal of participation request will be effective as soon as administratively feasible. However, any such withdrawal request must be made at least 30 days prior to the end of a Contribution Period (or within such other timeframe as determined from time to time by the Committee) to ensure such withdrawal request shall be effective within such Contribution Period. Once the withdrawal request is effective, all of the Participant's accumulated payroll deductions held in the Participant's notional account will be paid to him or her, his or her right to purchase Shares will be automatically terminated, and no further payroll deductions will be made absent re-enrollment. Upon withdrawal from the Plan, a Participant may not re-enroll in the Plan prior to the date that is 12 months following the date of withdrawal.

12. **Termination of Employment; Change in Employment Status.**

12.1 Upon termination of a Participant's employment with a Participating Entity for any reason, including death, disability, resignation or retirement, or a change in the Participant's employment status following which the Participant is no longer an Eligible Employee, which in any case occurs at least 30 days before the next Purchase Date, the Participant will be deemed to have withdrawn from the Plan as of the Termination Date and the payroll deductions in the Participant's notional account that have not been used to purchase Shares shall be returned to the Participant, or in the case of the Participant's death, to his or her executors, administrators or designated beneficiary, as the case may be. If the Participant's Termination Date occurs less than 30 days before the next Purchase Date, the accumulated payroll deductions and the applicable Employer Contribution shall be used to purchase Shares on the Purchase Date, following which the Participant will be deemed to have withdrawn from the Plan.

12.2 A Participant whose participation in the Plan has terminated as provided in Subsection 12.1 or his or her executors, administrators or designated beneficiary, as the case may be, may elect to deal with the Shares in their ESPP Share Account by completing a notice in the form prescribed by the Company and filing it with the

Administrative Agent within ninety (90) days after termination of the Participant's participation in the Plan requesting that:

12.2.1 share certificates for all of the whole Shares in the Participant's ESPP Share Account be issued in his or her name or as directed, in which case the Administrative Agent shall make the necessary arrangements for the issuance and delivery of the appropriate certificates representing the Shares as soon as practicable following receipt of any such notice, and the Participant or his or her executors, administrators or designated beneficiary, as the case may be, will be responsible for paying any applicable fees in connection therewith (by deduction from their personal account prior to issuance of the share certificates); or

12.2.2 all of the whole Shares in the Participant's ESPP Share Account be sold and the proceeds distributed to him or her or as directed, in which case the Administrative Agent shall sell all such Shares as directed and forward the proceeds (net of any brokerage commissions and sales administration fees) to such Participant or as otherwise directed, or to his or her executors, administrators or designated beneficiary, as the case may be, as soon as practicable following receipt of any such notice.

12.3 If no notice is filed pursuant to Subsection 12.2 within ninety (90) days after the termination of a Participant's participation in the Plan, the Participant or his or her executors, administrators or designated beneficiary, as the case may be, shall be deemed to have elected to request that the whole Shares in the Participant's ESPP Share Account be sold and the proceeds distributed to him or her or as directed, in which case the Administrative Agent shall sell all such Shares as directed and forward the proceeds (net of any brokerage commissions and sales administration fees) to such Participant or as otherwise directed, or to his or her executors, administrators or designated beneficiary, as the case may be, as soon as practicable following the end of such period.

12.4 The Participant or his or her executors, administrators or designated beneficiary, as the case may be, shall be responsible for ensuring compliance with the provisions of applicable securities laws and applicable tax laws in respect of the Participant's participation in the Plan.

12.5 In all instances contemplated by this Section 12, the Participant or his or her executors, administrators or designated beneficiary, as the case may be, shall receive the cash equivalent of any fractional Share credited to his or her ESPP Share Account.

13. **Leave of Absence.** If a Participant is on an approved leave of absence, the Participant's payroll deductions shall be suspended, and such Participant shall not be permitted to remit payments for the purchase of Shares, until the Participant's return to work. The Participant's accumulated payroll deductions and the Employer Contribution in respect of the Contribution Period in effect at the time when his or her leave of absence commences shall be used to purchase Shares on the Purchase Date. Upon his or her return to work, such Participant's payroll deductions shall automatically restart at the same rate as in effect immediately prior to the leave of absence.

14. **Interest.** No interest shall accrue on or be payable with respect to the payroll deductions of a Participant in the Plan.

15. **Shares Reserved for Plan.**

15.1 Number of Shares. A total of 5,000,000 Shares have been reserved as authorized for issuance under the Plan. The Shares purchased under the Plan may, at the election of the Company, be Shares issued from treasury or Shares purchased by the Administrative Agent on the Participant's behalf in the open market. The Administrative Agent will instruct its broker to control the time, amount and manner of all purchases made in the open market under the Plan.

15.2 Over-Subscribed Contribution Period. The number of Shares which a Participant may purchase in a Contribution Period under the Plan may be reduced if the Contribution Period is over-subscribed. No right granted under the Plan shall permit a Participant to purchase Shares which, if added together with the total number of Shares purchased by all other Participants in such Contribution Period would exceed the total number of Shares remaining available under the Plan. If the Committee determines that, on a particular Purchase Date, the number of Shares to be purchased exceeds the number of Shares then available under the Plan, the Company shall make a pro rata allocation of the Shares remaining available for purchase in as uniform a manner as practicable and as the Committee determines to be equitable.

16. **Insider Participation Limits.**

The grant of rights under the Plan is subject to the following limitations:

16.1 No more than 10% of the Company's outstanding Shares may be issued under the Plan or pursuant to any other security based compensation arrangements of the Company in any one (1) year period.

16.2 No more than 5% of the Company's outstanding Shares may be issued under the Plan or pursuant to any other security based compensation arrangements of the Company to any one Participant.

16.3 No more than 10% of the Company's outstanding Shares may be issued to insiders under the Plan or under any other security based compensation arrangements of the Company within any one (1) year period or be issuable to insiders at any time.

16.4 For the purposes of this Section 16, "insider" and "security based compensation arrangement" have the meanings set out in the TSX Company Manual in respect of the rules governing security-based compensation arrangements, as amended from time to time.

17. **Transferability.** No payroll deductions credited to a Participant, nor any rights to receive Shares hereunder may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution, or as provided in Section 20 hereof) by the Participant. Any attempt to assign, transfer, pledge or otherwise dispose of such rights or amounts shall be without effect.

18. **Application of Funds.** All payroll deductions received or held by the Company under the Plan may be used by the Company for any corporate purpose to the extent permitted by applicable law, and the Company shall not be required to segregate such payroll deductions or contributions.

19. **Statements.** Participants will be provided with or have access to statements, electronic or otherwise, at least annually which shall set forth the contributions made by or on behalf of the Participant to the Plan, the purchase price of any Shares purchased with accumulated funds, the number of Shares purchased, and any payroll deduction amounts remaining in the Participant's notional account.

20. **Designation of Beneficiary.** A Participant may file, on forms supplied by the Committee, a written designation of beneficiary who is to receive any Shares and cash in respect of any fractional Shares, if any, from the Participant's ESPP Share Account under the Plan in the event of such Participant's death. In addition, a Participant may file a written designation of beneficiary who is to receive any cash withheld through payroll deductions and credited to the Participant's notional account in the event of the Participant's death prior to the Purchase Date of a Contribution Period.

21. **Adjustments Upon Changes in Capitalization; Corporate Transactions.**

21.1 Adjustments. In the event of the declaration of any stock dividend, stock split, combination or exchange of shares, merger, consolidation, spin-off, or other distribution (other than normal cash dividends) of the Company's assets to its shareholders, or any other change in the capital of the Company affecting Shares, the Committee will make such proportionate adjustments, if any, as the Committee, in its discretion may deem appropriate to reflect such change, including, without limitation, adjustments to the number of Shares which have been authorized for issuance under the Plan.

21.2 Corporate Transaction. In the event of a Corporate Transaction, each outstanding right to purchase Shares under the Plan may be assumed or an equivalent right substituted by the successor Company or a parent or subsidiary of such successor Company. If the successor Company does not assume or substitute the right, or the Committee otherwise determines, in its discretion, the Contribution Period with respect to which the right relates will be shortened by setting a new Purchase Date on which the Contribution Period will end. The new Purchase Date will occur before the date of the Corporate Transaction. Prior to the new Purchase Date, the Company will provide each Participant with written notice, which may be electronic, of the new Purchase Date and that the Participant's right will be exercised automatically on such date, unless before such time, the Participant has withdrawn from the Contribution Period in accordance with Section 11.

22. **General Provisions.**

22.1 No Right to Continued Service. Neither participation in the Plan nor any action taken under the Plan shall give or be deemed to give any Eligible Employee a right to the continuation of his or her employment with a Participating Entity and shall not interfere with any right of the applicable Participating Entity to terminate the employment of any Eligible Employee at any time or to increase or decrease the compensation of an Eligible Employee. Participation in the Plan by an Eligible Employee shall be voluntary.

22.2 Rights As Shareholder. A Participant will become a shareholder with respect to the Shares that are purchased pursuant to rights granted under the Plan when the Shares are transferred to the Participant's ESPP Share Account. A Participant will have no rights as a shareholder with respect to Shares for which an election to participate in a Contribution Period has been made until such Participant becomes a shareholder as provided above.

22.3 Indemnification. Each member of the Board is indemnified and held harmless by the Company against any cost or expense arising out of any act or omission in connection with this Plan to the extent permitted by applicable law. This indemnification is in addition to any rights of indemnification a Board member may have as director or otherwise.

22.4 Successors and Assigns. The Plan shall be binding on the Company and its successors and assigns. Rights and obligations under this Plan may be assigned by the Company to a successor in the business of the Company, any Company resulting from any amalgamation, reorganization, combination, merger or arrangement of the Company, or any Company acquiring all or substantially all of the assets or business of the Company.

22.5 Entire Plan. This Plan constitutes the entire plan with respect to the subject matter hereof and supersedes all prior plans with respect to the subject matter hereof.

22.6 Rights of Company. The provisions contained in this Plan and any rights available hereunder shall not affect in any way the right or power of the Company or its shareholders to make or authorize any adjustment, recapitalization, reorganization or other change in the Company's capital structure or its business, or any amalgamation, combination, merger or consolidation involving the Company or to create or issue any bonds, debentures, shares or other securities of the Company or the rights and conditions attaching thereto or to effect the dissolution or liquidation of the Company or any sale or transfer of all or any part of its assets or business, or any other corporate act or proceeding, whether of a similar nature or otherwise.

22.7 Market Fluctuations. No amount will be paid to, or in respect of, a Participant under this Plan (including with respect to any Shares that have not been issued), to compensate for a downward fluctuation in the price of the Shares, nor will any other form of benefit be conferred upon, or in respect of, a Participant for such purpose. Neither the Company nor the Administrative Agent is making any representations or warranties to Participants with respect to this Plan or the Shares whatsoever. In seeking the benefits of participation in this Plan, a Participant agrees to exclusively accept all risks associated with a decline in the market price of the Shares and all other risks associated with the rights hereunder.

22.8 Compliance With Law. The obligations of the Company under the Plan are subject to compliance with all applicable laws and regulations. Shares shall not be issued with respect to any right granted under the Plan unless the issuance and delivery of the Shares pursuant thereto shall comply with all applicable laws and the requirements of any stock exchange upon which the Shares may then be listed.

22.9 Effective Date. The Plan shall become effective on July 1, 2017.

22.10 Amendment or Termination. The Committee may amend or suspend any provision of the Plan, or terminate the Plan, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange), if any, that require the approval of shareholders or any governmental or regulatory body regardless of whether any such amendment or suspension is material, fundamental or otherwise, and notwithstanding any rule of common law or equity to the contrary. However, except as expressly set forth herein or as required pursuant to applicable law, no action of the Committee may adversely alter or impair the rights that have accrued to a Participant on or prior to the date of amendment, suspension or termination without the consent of the affected Participant. Without limiting the generality of the foregoing, the Committee may make the following types of amendments to this Plan without seeking shareholder approval: (i) amendments of a "housekeeping" or administrative nature, including any amendment for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan; (ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange); (iii) amendments necessary for Shares purchased under the Plan to qualify for favourable treatment under applicable tax laws; (iv) amendments to the termination provisions of the Plan; and (v) amendments necessary to suspend or terminate the Plan. Shareholder approval will be required for the following types of amendments:

(a) amendments to increase the number of Shares issuable under the Plan, other than pursuant to Section 21.1, including an increase to a fixed maximum number of Shares or a change from a fixed maximum number of Shares to a fixed maximum percentage;

(b) any amendment to remove or to exceed the insider participation limits set out in Section 16.3;

(c) any amendment to extend eligibility to participate in the Plan to non-Employees;

(d) any amendment to reduce the purchase price payable for Shares under the Plan;

(e) any amendment to increase the Employer Contribution;

(f) amendments to this Section 22.10; and

(g) amendments required to be approved by shareholders under applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange).

22.11 Governing Law. The Plan shall be governed by, and interpreted in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.

22.12 Withholding. To satisfy any applicable income and/or payroll tax withholding requirement, the Company may withhold (i) a sufficient number of Shares that would otherwise be delivered to a Participant upon the exercise of a right granted under this Plan or (ii) such income and/or payroll taxes from other sources of a Participant's Compensation. Each Participating Entity is authorized to deduct or withhold from any amount payable or credited hereunder such taxes and other amounts as it may be required by applicable law to deduct or withhold and to remit the amounts deducted or withheld to the applicable governmental authority as required by applicable law.

22.13 Unfunded and Unsecured Plan. This Plan shall be unfunded and the Company will not secure its obligations under this Plan. To the extent any Participant or his or her estate holds any rights under this Plan, such rights shall be no greater than the rights of an unsecured creditor of the Company.

22.14 Non-Exclusivity. Nothing contained herein shall prevent the Board or the Committee from adopting other or additional compensation arrangements for the benefit of any Participant, subject to any required regulatory or shareholder approval.

22.15 Other Employee Benefits. The amount of any compensation deemed to be received by a Participant as a result of participating in the Plan will not constitute compensation with respect to which any other employee benefits of that Participant are determined including, without limitation, benefits under any bonus, pension, profit-sharing, insurance or salary continuation plan, except as otherwise specifically determined by the Committee in writing.

22.16 Tax Consequences. It is the responsibility of the Participant to complete and file any tax returns and pay all taxes that may be required under Canadian, U.S. or other tax laws within the periods specified in those laws as a result of the Participant's participation in the Plan. No Participating Entity shall be held responsible for any tax consequences to a Participant as a result of the Participant's participation in the Plan.

22.17 Severability. The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

APPENDIX C
CENTERRA GOLD INC.
BOARD MANDATE

1. GENERAL

The Board of Directors (the "Board") believes that sound corporate governance practices are essential to the well-being of the Corporation and the promotion and protection of its shareholders' interests as owners of the Corporation. The Board oversees the functioning of the Corporation's governance system, in part, through the work of the Nominating and Corporate Governance Committee.

The Board has adopted this mandate to assist it in supervising the management of the business and affairs of the Corporation as required under applicable legislation and stock exchange rules.

The Board will revise this mandate from time to time based on its assessment of the Corporation's needs, legal and regulatory developments and best practices. The Nominating and Corporate Governance Committee will review this mandate annually, or more often if warranted, and recommend to the Board such changes as it deems necessary and appropriate.

2. THE BOARD'S RESPONSIBILITIES

The fundamental responsibility of the Board is to supervise the management of the business and affairs of the Corporation with a view to sustainable value creation for all shareholders. The Board discharges this responsibility by developing and determining policy by which the business and affairs of the Corporation are to be managed and by overseeing management of the Corporation. The Board promotes fair reporting, including financial reporting, to shareholders of the Corporation and other interested persons as well as ethical and legal corporate conduct through an appropriate system of corporate governance, internal controls and disclosure controls.

3. DIRECTORS' RESPONSIBILITIES

The primary responsibility of individual directors is to act in good faith and to exercise their business judgment in what they reasonably believe to be the best interests of the Corporation. In order to fulfill this responsibility, each director is expected to:

- develop and maintain a thorough understanding of the markets in which the Corporation conducts business, its strategy and business operations and its financial position and performance;
- diligently prepare for each meeting, including reviewing all meeting materials distributed in advance;
- actively and constructively participate in each meeting, including seeking clarification from management and outside advisors where necessary to fully understand the issues under consideration;
- engage in continuing education programs for directors, as appropriate; and
- attend all meetings of the Board and any committee of which he or she is a member.

4. BOARD COMPOSITION

(a) Board Membership Criteria

The Nominating and Corporate Governance Committee is responsible for establishing the competencies and skills that the Board considers to be necessary for the Board as a whole to possess; the competencies and skills that the Board considers each existing director to possess; and the competencies and skills each new nominee will bring to the Board. The Nominating and Corporate Governance Committee identifies candidates for Board membership based on their character, integrity, judgment and record of achievement and any skills and talents they possess which would add to the Board's decision-making process and enhance the overall management of the business and affairs of the Corporation. The Corporate Governance and Nominating Committee will also take into consideration the representation of women in the director identification and selection process

Directors who change their principal occupation are expected to advise the Nominating and Corporate Governance Committee and, if determined appropriate by the Nominating and Corporate Governance Committee, resign from the Board.

(b) **Director Independence**

The Board believes that, except during periods of temporary vacancies, the majority of its members should be independent. For the purposes of this mandate, "independent" means the standard of independence applicable to audit committee members as set out in National Instrument 52-110 – *Audit Committees*, as amended from time to time.

In all cases, the determination of whether a director is independent must be made by the Board in accordance with applicable securities laws and stock exchange rules. Generally, an independent director means a director who has no direct or indirect material relationship with the Corporation. For these purposes, "material relationship" means a relationship which could, in the view of the Board, reasonably interfere with the exercise of a member's independent judgment.

In making a determination regarding a director's independence, the Board will consider all relevant facts and circumstances, including the director's commercial, industrial, banking, consulting, legal, accounting, charitable and familial relationships, and such other criteria as the Board may determine from time to time.

The Board will review the independence of all directors on an annual basis and will disclose its determinations annually. To facilitate this review, directors will be asked to provide the Board with full information regarding their business and other relationships with the Corporation and its affiliates and with senior management and their affiliates. Directors have an ongoing obligation to inform the Board of any material changes in their circumstances or relationships which may affect the Board's determination as to their independence.

(c) **Board Size**

The Board is of the view that a size of between 9 and 12 members is conducive to effective decision-making and committee work.

(d) **Retirement**

Directors may serve on the Board until the annual meeting of the Corporation next following their 75th birthday, and may not be re-elected after reaching age 75, unless this requirement has been waived by the Board, or the Nominating and Corporate Governance Committee, for a valid reason.

(e) **Term**

All directors are elected at the annual meeting of shareholders of the Corporation for a term of one year.

(f) **Board Succession**

The Nominating and Corporate Governance Committee is responsible for maintaining a Board succession plan that is responsive to the Corporation's needs and the interests of its shareholders.

(g) **Service on Other Boards**

The Board does not believe that its members should be prohibited from serving on the boards of other public companies so long as these commitments do not materially interfere with and are not incompatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Chair in advance of accepting an invitation to serve on the board of another public company.

5. BOARD DUTIES

In fulfilling its responsibilities, the Board is, among other matters, responsible for the following matters:

(a) selection, appointment, evaluation and, if necessary, termination of the Chief Executive Officer;

(b) satisfying itself as to the integrity of the Chief Executive Officer and other senior officers of the Corporation and as to the culture of integrity throughout the Corporation;

(c) succession planning, including appointing, counseling and monitoring the performance of executive officers;

(d) human resources policies of the Corporation in general, including in particular the approval of the compensation of executive officers;

(e) adoption of a strategic planning process, approval of strategic plans and monitoring corporate performance against those plans;

(f) approval of periodic capital and operating plans and monitoring corporate performance against those plans;

(g) policies and processes to identify the Corporation's principal business risks, including hedging policies for the Corporation, and to confirm that systems are in place to mitigate these risks where prudent to do so;

(h) policies to confirm ethical behaviour of the Corporation and its employees, and compliance with laws and regulations;

(i) policies and processes to satisfy itself as to the integrity of the Corporation's internal control and management information systems and its financial reporting;

(j) assessment of the effectiveness of the Board and its committees;

(k) confirming that an appropriate orientation program is in place for new directors and that continuing education opportunities are available for all directors;

(l) definition of the duties and the limits of authority of senior management, including approving a position description for the Chief Executive Officer;

(m) communications policy of the Corporation;

(n) health and safety and environmental policies and ensuring the implementation of systems to comply with these policies and all relevant laws and regulations;

(o) policies on corporate social responsibility and sustainable development and oversight of management's efforts to implement the policies in the jurisdictions where it operates;

(p) oversight of the estimation of reserves by management;

(q) corporate governance including the relationship of the Board to management and confirming that the Corporation has appropriate structures and procedures in place to permit the Board to effectively discharge its duties and responsibilities;

(r) calling meetings of shareholders and submission to the shareholders of any question or matter requiring

(s) approval of the shareholders;

(t) approval of directors for nomination and election and recommendation of the auditors to be appointed at shareholders' meetings and filling a vacancy among the directors or in the office of the auditor;

(u) issuance of securities of the Corporation;

(v) declaration of dividends and establishment of the dividend policy for the Corporation;

(w) approval of the annual audited financial statements, management proxy circulars, takeover bid circulars, directors' circulars, prospectuses, annual information forms and other disclosure documents required to be approved by the directors of a corporation under securities laws, regulations or rules of any applicable stock exchange;

(x) adoption, amendment or repeal of by-laws of the Corporation;

(y) review and approval of material transactions not in the ordinary course of business; and

(z) other corporate decisions required to be made by the Board, or as may be reserved by the Board, to be made by itself, from time to time and not otherwise delegated to a committee of the Board or to the management of the Corporation.

6. DELEGATION TO MANAGEMENT

The Board may delegate by resolution, from time to time, financial authority to the Chief Executive Officer (who may sub-delegate such authority to others within the Corporation as appropriate).

7. CHAIR

(a) **Appointment**

The Board will in each year appoint from among its members a Chair. The Chair of the Board shall be an independent director unless the Board concludes that the best interests of the Corporation would be otherwise better served. If such Chair is not independent, then the independent directors shall appoint a Lead Director who shall be independent.

(b) **General**

The Chair is principally responsible for overseeing the operations and affairs of the Board.

(c) **Specific Role and Responsibilities**

The Chair will (subject to the responsibilities of the Lead Director as set out in Section 8, if Chair is not independent):

- lead, manage and organize the Board, consistent with the approach to corporate governance adopted by the Board from time to time;
- preside as chair at all meetings of the Board and shareholders;
- set the agenda of the board and shareholders’ meetings, in consultation with the Corporate Secretary and the Chief Executive Officer;

- confirm that appropriate procedures are in place to allow the Board to work effectively and efficiently and to function independently from management;
- confirm that Board functions are delegated to appropriate committees and that the functions are carried out and the results reported to the Board;
- together with the Chief Executive Officer, approach potential candidates for Board membership, once candidates have been identified and selected by the Nominating and Corporate Governance Committee, to explore their interest in joining the Board;
- serve as an *ex officio* member of all Board committees, provided that if the Chair is not independent, he or she will not serve as a member of any committee required to be composed entirely of independent directors;
- act as a liaison between the Board and senior management, encouraging effective communication between the Board and the Chief Executive Officer;
- consistent with encouraging effective communication between the Board and the Chief Executive Officer, confirm that the Board and senior management understand their respective responsibilities and respect the boundary between them;
- chair Board meetings, including requiring appropriate briefing materials to be delivered in a timely fashion, stimulating debate, providing adequate time for discussion of issues, facilitating consensus, encouraging full participation and discussion by individual directors and confirming that clarity regarding decisions is reached and accurately recorded;
- confirm proper and timely documentary filings and fulfillment of disclosure requirements to statutory authorities under applicable legislation, including working with the Corporation's external counsel and other outside advisors when necessary;
- confirm that the Board and its committees have the necessary resources to carry out their responsibilities, in particular, timely and relevant information;
- work with the Chief Executive Officer, the chair of the Nominating and Corporate Governance Committee and the Corporate Secretary to further the creation of a healthy governance culture within the Corporation;
- at the request of the Chief Executive Officer, represent the Corporation to shareholders and external stakeholders, including local community groups, aboriginals, government, and non-governmental organizations; and
- perform additional duties requested by the Board.

8. LEAD DIRECTOR

(a) Appointment

A Lead Director appointed pursuant to Section 7(a), shall have the responsibilities outlined in Section 8 (b) below.

(b) Specific Role and Responsibilities

- coordinate the activities of the independent directors;

- preside at all meetings of the Board at which the Chair is not present, including meetings of independent directors and communicate the results of such meetings to the Chair and Chief Executive Officer as appropriate;
- call meetings of the independent directors, as appropriate;
- serve as liaison between the Chair, Chief Executive Officer and the independent directors;
- review the agenda for Board meetings to ensure that the agenda enables the Board to successfully carry out its duties and that the Board has sufficient time for discussion of all agenda matters;
- serve as an independent leadership contact for all independent directors consistent with the approach to corporate governance adopted by the Board from time to time;
- correspond or meet, if needed, with shareholders or other stakeholders regarding communications directed to the independent directors of the Board and coordinate with others as appropriate with respect to independent directors matters;
- provide support to the Chair, Chief Executive Officer, the Chair of the Nominating and Corporate Governance Committee and the Corporate Secretary, as needed, to further the creation of a healthy governance culture within the Corporation; and
- perform such other duties as the Board may from time to time delegate to assist the Board in the fulfillment of its responsibilities.

(c) General

If the Lead Director has a conflict of interest, the Chair of Nominating and Corporate Governance Committee shall serve as the Lead Director with respect to matters concerning any conflict of interest.

9. CORPORATE SECRETARY

(a) **Appointment**

The Board will appoint an individual to act as the Corporate Secretary.

(b) **General**

The Corporate Secretary is responsible for assisting the Chair in managing the operations and affairs of the Board and for performing additional duties requested by the Chair or the Board or any of its committees.

(c) **Specific Role and Responsibilities**

The Corporate Secretary will:

- oversee the preparation of all materials for shareholders which relate to the election of directors or the matters discussed in these guidelines;
- confirm that all notices and materials are delivered to shareholders and directors in a timely manner;
- confirm that all minutes of meetings of shareholders, the Board and committees are accurately recorded;

- confirm proper and timely documentary filings and fulfilment of disclosure requirements to statutory authorities under applicable legislation, including working with the Corporation's external counsel and other outside advisors, when necessary;
- maintain the Corporation's books and records and oversee the security and application of the corporate seal;
- administer the operations of the Board and its committees;
- monitor compliance with the governance policies of the Board, including those regarding frequency and conduct of Board meetings, reporting information and other policies relating to the Board's business; and
- perform additional duties requested by the Chair or the Board or any of its committees.

10. BOARD COMMITTEE

(a) **General**

The Board carries out its responsibilities directly and through the following committees and such other committees as it may establish from time to time: the Audit Committee, the Nominating and Corporate Governance Committee, the Human Resources and Compensation Committee, the Sustainable Operations Committee and the Risk Committee.

(b) **Chair**

The Audit Committee, the Nominating and Corporate Governance Committee, the Human Resources and Compensation Committee, the Sustainable Operations Committee and the Risk Committee are each chaired by a director who is selected by the Board on the recommendation of the Nominating and Corporate Governance Committee and is responsible for determining the agenda and the frequency and conduct of meetings.

(c) **Charters**

Each committee has its own charter which sets out its responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment and reporting to the Board. On an annual basis, each committee's charter is reviewed by both the committee itself and the Nominating and Corporate Governance Committee and is also reviewed and approved by the Board. Copies of each charter are posted on the Corporation's website and printed copies will be made available to any shareholder upon request. Below is a brief description of the responsibilities of each committee.

Audit Committee

The Audit Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to the integrity of the Corporation's financial statements; the Corporation's compliance with legal and regulatory requirements (other than with respect to health, safety and the environment); compliance with the Code of Ethics Policy; the qualifications and independence of the Corporation's external auditors; the design and implementation of internal controls over financial reporting and disclosure controls; management of financial risks as delegated by the Board; related party transactions; the performance of the Corporation's internal audit function; and any additional matters delegated to the Audit Committee by the Board.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to the Corporation's overall approach to corporate governance; the size, composition and structure of the Board and its committees; the identification and recommendation to the Board of qualified individuals for appointment to the Board and its committees; orientation and continuing education for directors; matters involving conflicts of interest of directors; and any additional matters delegated to the Nominating and Corporate Governance Committee by the Board.

Human Resources and Compensation Committee

The Human Resources and Compensation Committee is responsible for supporting the Board in making recommendations in regard to its oversight responsibilities and to review and, at its discretion, approve certain recommendations proposed by management. The Human Resources and Compensation Committee reviews and recommends to the Board the selection and appointment of officers of the Corporation; the compensation philosophy, competitive positioning and competitive objectives in the market all of which drive the design of components and administration; the compensation and employment agreement of the CEO as recommended by the Chairman of the Board and by the Human Resources and Compensation Committee; grants of stock options to eligible participants; succession planning pertaining to all executive officers, based on recommendations of the chair of the board and the CEO; and any additional matters delegated to the Human Resources and Compensation Committee by the Board. The Human Resources and Compensation Committee oversees and approves the compensation and employment agreements of the direct reports to the CEO as reviewed and recommended by the Chairman of the Board; the objectives and design of the compensation program of the company consistent with the compensation philosophy, competitive positioning and competitive objectives approved by the Board (these objectives and designs, along with their components and descriptions/plans, will satisfy the goal of providing sufficient competitive compensation to attract, retain and motivate senior management to maximize shareholder value); major human resources policies recommended by the CEO; management's recommendation on annual merit increases consistent with the budget approved by the Board; special recognition payments under the CEO Awards Program which are recommended to be $50,000 or greater; and the administration of all equity-based compensation plans, subject to reporting to the Board.

Sustainable Operations Committee

The Sustainable Operations Committee is responsible for assisting the Board of Directors in fulfilling its oversight responsibilities on matters relating to safety, health, environment, corporate social responsibility and reserves including the establishment of, and review of compliance with, appropriate safety, health and environment and corporate social responsibility policies and programs, receiving reports from management and reviewing budgets, reviewing the Corporation's designated qualified persons for estimation of reserves and resources, receiving updates from management on key operational and technical issues, reviewing the Corporation's publication of new reserve and resource information and annual reserve statements, and reviewing annual reconciliation of reserve and resource information to mine production.

Risk Committee

The Risk Committee is responsible for assisting the Board of Directors in fulfilling its oversight responsibilities in relation to the policies, processes and systems for the identification, assessment and management of the Corporation's principal strategic, financial, and operational risks including: (i) overseeing that the executive team has in place a process designed to identify and assess the key risks that the organization faces and has established an appropriate mechanism designed to address those risks; (ii) overseeing, in conjunction with other Board-level committees or the full Board, significant or critical risks, including strategic, financial and operational risks; and (iii) overseeing the division of risk-related responsibilities to each Board committee as clearly as possible and analyze to determine that the oversight of any significant or critical risks is not overlooked.

11. BOARD AND COMMITTEE MEETINGS

(a) Scheduling

Board meetings are scheduled in advance at appropriate intervals throughout the year. In addition to regularly scheduled Board meetings, additional Board meetings may be called upon proper notice at any time to address specific needs of the Corporation. The Board may also take action from time to time by unanimous written consent. A Board meeting may be called by the Chair, the Chief Executive Officer or any two directors.

Each committee meets as often as it determines is necessary to fulfill its responsibilities. A meeting of any committee may be called by the committee chair, the Chair, the Chief Executive Officer or any two committee members.

Board meetings are held at a location determined by the Chair and meetings of each committee are held at a location determined by the committee chair.

(b) Notice

Notice of the time and place of each meeting of the Board or any committee must be given to each director either by personal delivery, electronic mail, facsimile or other electronic means not less than 48 hours before the time of the meeting or by mail not less than 96 hours before the date of the meeting. Board or committee meetings may be held at any time without notice if all of the directors or committee members have waived or are deemed to have waived notice of the meeting. A director participating in a Board or committee meeting is deemed to have waived notice of the meeting.

(c) Agenda

The Chair establishes the agenda for each Board meeting in consultation with the Corporate Secretary and the Chief Executive Officer. Any director may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any Board meeting raise subjects that are not on the agenda for that meeting.

Committee chairs establish the agenda for each committee meeting. Any committee member may propose the inclusion of items on the agenda, request the presence of or a report by any member of senior management, or at any committee meeting raise subjects that are not on the agenda for the meeting.

The Corporate Secretary distributes an agenda and meeting materials in advance of each Board or committee meeting to allow Board or committee members, as the case may be, sufficient time to review and consider the matters to be discussed.

(d) Non-Management Sessions

Non-management directors meet separately at every Board meeting without management present. The Chair informs management of the substance of these meetings to the extent that action is required by them.

(e) Distribution of Information

The Board regularly receives reports on the financial results and operating activities of the Corporation, as well as periodic reports on certain non-operational matters, including, corporate governance, insurance, pensions and treasury matters and safety, health and environmental matters.

(f) **Attendance and Participation**

Each director is expected to attend all meetings of the Board and any committee of which he or she is a member. A director who is unable to attend a Board or committee meeting in person may participate by telephone or teleconference.

(g) **Quorum**

A quorum for any Board meeting is a majority of directors.

A quorum for any committee meeting is a majority of its members.

(h) **Voting and Approval**

At Board or committee meetings, each director or member, as applicable, is entitled to one vote and questions are decided by a majority of votes. In case of an equality of votes, the chair of the meeting does not have a second or casting vote.

(i) **Procedures**

Procedures for Board meetings are determined by the Chair unless otherwise determined by the by-laws of the Corporation or a resolution of the Board.

Procedures for committee meetings are determined by the chair of the committee unless otherwise determined by the by-laws of the Corporation or a resolution of the committee or the Board.

(j) **Corporate Secretary**

The Corporate Secretary acts as secretary to the Board and each of its committees. In the absence of the Corporate Secretary, or at the election of the Board or committee, as the case may be, the Board or a committee may appoint any other person to act as secretary.

(k) **Minutes of Meetings**

The Corporate Secretary keeps minutes of the proceedings of the Board and each of its committees, and circulates copies of the minutes to each Board or committee member, as the case may be, on a timely basis.

12. DIRECTOR COMPENSATION

The Board believes that compensation for directors should be competitive with the compensation paid to directors of comparable companies. The Human Resources and Compensation Committee reviews directors' compensation annually with this criterion in mind and makes recommendations to the Board.

Directors who are employees of the Corporation or any of its affiliates do not receive any compensation for service as directors.

To further align the interests of directors with those of other shareholders, directors are paid a portion of their fees in deferred share units and restricted share units.

Directors are reimbursed by the Corporation for reasonable travel expenses incurred in connection with their duties as directors.

13. SHARE OWNERSHIP REQUIREMENTS

Directors are required, within five years of their initial appointment to the Board, to acquire and hold deferred share units, restricted share units, common shares or any other equity-based awards of the Corporation designated by the Board from time to time, with a value equal to at least three times the amount of their annual retainer for service as a director (excluding travel, meeting and committee chair fees) such value to be determined at the greater of cost or market value of such securities.

14. DIRECTOR ORIENTATION AND CONTINUING EDUCATION

New directors receive orientation materials describing the Corporation's business and its corporate governance policies and procedures. New directors also have meetings with the Chair, Chief Executive Officer, President and Chief Financial Officer.

The Nominating and Corporate Governance Committee is responsible for confirming that procedures are in place and resources are made available to provide directors with appropriate continuing education opportunities.

15. BOARD ACCESS TO MANAGEMENT AND ADVISORS

Directors have access to members of management and are encouraged to raise any questions or concerns directly with management. The Board and its committees may invite any member of management, outside advisor or other person to attend any of their meetings.

The Board and any of its committees may retain an outside advisor at the expense of the Corporation at any time and have the authority to determine the advisor's fees and other retention terms. Individual directors may retain an outside advisor at the expense of the Corporation with the approval of the Nominating and Corporate Governance Committee.

16. PERFORMANCE ASSESSMENT OF THE BOARD AND ITS COMMITTEES

The Nominating and Corporate Governance Committee annually reviews the effectiveness of the Board in fulfilling its responsibilities and duties as set out in these guidelines.

In addition, the Nominating and Corporate Governance Committee annually reviews the effectiveness of all Board committees in fulfilling their responsibilities and duties as set out in their charter and in a manner consistent with these guidelines.

The Nominating and Corporate Governance Committee evaluates individual directors to assess their suitability for nomination for re-election.

17. CODES OF ETHICS

The Board expects all directors, officers and employees of the Corporation to conduct themselves in accordance with the highest ethical standards.

The Board has adopted a Code of Ethics for employees which addresses, among other things, avoidance of conflicts of interest, protection of confidential information, compliance with applicable laws, rules and regulations, adherence to good disclosure practices and procedures for employees and third parties to report concerns with respect to accounting and auditing matters. As set out in the Code, an employee who, in good faith, reports a concern regarding accounting matters or a suspected breach of the Code is protected from reprisal, such as dismissal, demotion, suspension, threats, harassment or discrimination.

The Board has also adopted a Code of Ethics for directors which sets out the ethical standards that apply to directors in the exercise of their duties.

Both Codes are posted on the Corporation's website and are available in print to any shareholder who requests a copy.

18. INDEMNIFICATION AND INSURANCE

In accordance with the by-laws of the Corporation, directors and officers are each indemnified by the Corporation against all liability and costs arising out of any action or suit against them from the execution of their duties, provided that they have carried out their duties honestly and in good faith with a view to the best interests of the Corporation and have otherwise complied with the provisions of applicable corporate law.

The Corporation maintains insurance for the benefit of its directors and officers against any liability incurred by them for which they would be indemnified. The amount and terms of the insurance coverage are dependent upon prevailing market conditions and practices with the objective of adequately protecting directors and officers from such liability.

19. CONFLICTS OF INTEREST

Each director is required to inform the Nominating and Corporate Governance Committee of any conflict of interest he or she may have with the Corporation. If a director has a personal interest in a matter before the Board or a committee, he or she must not participate in any vote on the matter except where the Board or the committee has expressly determined that it is appropriate for him or her to do so.

20. CONTACT BOARD AND COMMITTEES

The Board welcomes input and comments from shareholders of the Corporation. You may contact one or more members of the Board or its committees, by writing to the Corporate Secretary at:

Board of Directors of Centerra Gold Inc.
c/o Corporate Secretary
Centerra Gold Inc.
Suite1500 – 1 University Avenue
Toronto, Ontario, Canada M5J 2P1

centerra GOLD