

centerra**GOLD**



## NEWS RELEASE

### Centerra Gold Announces 2021 Guidance and 3-Year Outlook

*This news release contains forward-looking information that is subject to assumptions and risk factors set out under the headings “Material Assumptions” and “Caution Regarding Forward-looking Information”. All production figures are on a 100% basis. All figures are in United States dollars (“US\$”) unless otherwise stated. All references in this document denoted with NG, indicate a non-GAAP term which is discussed under “Non-GAAP Measures”.*

**Toronto, Canada, February 24, 2021:** Centerra Gold Inc. (“Centerra”) (TSX: CG) announced today the Company’s full-year guidance for 2021, including estimated gold production of 740,000 to 820,000 ounces and copper production of 70 to 80 million pounds.

The Company also announced a three-year outlook reflecting growing gold production approaching the one million ounce level in 2022-2023 and declining costs underpinned by the higher gold production.

#### 2021 to 2023 Outlook Highlights

- **Strong organic gold growth production profile:**
  - **2021:** 740,000 to 820,000 ounces.
  - **2022:** 920,000 to 1,020,000 ounces.
  - **2023:** 930,000 to 1,030,000 ounces.
- **Maintain robust copper production profile:**
  - **2021:** 70 to 80 million pounds.
  - **2022:** 90 to 100 million pounds.
  - **2023:** 70 to 80 million pounds.

#### 2021 Guidance Highlights

- **Gold production guidance** of 740,000 to 820,000 ounces.
- **Copper production guidance** of 70 to 80 million pounds.
- **Gold production costs guidance** of \$475 to \$525 per ounce.
- **All-in sustaining costs on a by-product basis<sup>NG</sup> guidance** of \$850 to \$900 per ounce is higher than 2020 primarily due to Kumtor processing lower grade material from its stockpiles on surface.
- **All-in costs on a by-product basis<sup>NG</sup> guidance** of \$1,175 to \$1,230 per ounce.
- **Total capital spending guidance** of \$430 to \$480 million including capitalized stripping is higher than 2020 due to increased spending at Kumtor and Mount Milligan.
- **Total capitalized stripping guidance** of \$230 to \$245 million including \$220 to \$230 million at Kumtor primarily for mining cut-back 20 and \$10 to \$15 million at Öksüt.
- **Cash provided by operations guidance** of \$750 to \$800 million (assuming US\$1,750 gold price).
- **Free cash flow<sup>NG</sup> guidance** of \$350 to \$400 million (assuming US\$1,750 gold price).
- **Exploration budget of \$50 million** with approximately 70% focused on brownfield exploration at our three existing operations.

Scott Perry, President and Chief Executive Officer of Centerra stated, “For 2021, we are estimating consolidated gold production to be in the range of 740,000 to 820,000 ounces and 70 million to 80 million pounds of copper

production from the Mount Milligan Mine. Centerra’s consolidated all-in sustaining cost on a by-product basis<sup>NG</sup> for 2021 is expected to be in the range of \$850 to \$900 per ounce, which includes higher all-in sustaining costs<sup>NG</sup> at the Öksüt Mine compared to 2020. Öksüt gold production in 2021 is estimated to be in the range of 90,000 to 110,000 ounces, and all-in sustaining cost on a by-product basis<sup>NG</sup> is estimated to be in the range of \$730 to \$780 per ounce. We expect that in 2021 the all-in sustaining cost on a by-product basis<sup>NG</sup> at Öksüt to be higher than the normal profile due to a combination of processing lower grade ore and additional sustaining capital expenditures related to construction of the Phase 2 of the heap leach pad. All-in sustaining costs on a by-product basis<sup>NG</sup> at Öksüt is expected to normalize after 2021 as the mine’s gold production increases from mining higher-grade ore in the Güneytepe pit and operating and capital costs decline.”

“We are also pleased to announce our inaugural three-year outlook which reflects a growing gold production profile in 2022 and 2023. This brings Centerra close to expected annual gold production of approximately one million ounces with a declining cost profile which is expected to generate significant diversified free cash flow from our operations.”

## 2021 - 2023 Outlook

See “Material Assumptions” for material assumptions or factors used to forecast production and costs.

The Company’s three-year outlook is set out in the following table:

	Units	2020 Actual	2021 Guidance	2022 Outlook	2023 Outlook
<b>Gold Production</b>	<b>(Koz)</b>				
Kumtor		556	470 - 510	540 - 590	550 - 600
Mount Milligan <sup>(1)</sup>		162	180 - 200	170 - 190	180 - 210
Öksüt		106	90 - 110	210 - 240	200 - 220
<b>Consolidated Gold Production</b>	<b>(Koz)</b>	<b>824</b>	<b>740 - 820</b>	<b>920 - 1,020</b>	<b>930 - 1,030</b>
<b>Copper Production<sup>(1)</sup></b>	<b>(Mlb)</b>	<b>83</b>	<b>70-80</b>	<b>90-100</b>	<b>70-80</b>
<b>Gold production costs<sup>(3)</sup></b>	<b>(\$/oz)</b>	<b>419</b>	<b>475 - 525</b>	<b>390 - 440</b>	<b>385 - 435</b>
<b>All-in sustaining costs on a by-product basis<sup>(2),(3)</sup></b>		<b>729</b>	<b>850 - 900</b>	<b>630 - 680</b>	<b>700 - 750</b>
All-in sustaining costs on a by-product basis including revenue-based taxes <sup>(2),(3),(4)</sup>		897	1,010 - 1,065	775 - 835	855 - 905
<b>All-in costs on a by-product basis<sup>(2),(3)</sup></b>		<b>1,059</b>	<b>1,175 - 1,230</b>	<b>875 - 935</b>	<b>925 - 975</b>
<b>Capital Expenditures</b>	<b>(\$M)</b>				
Sustaining capital expenditures		98	130 - 150	130 - 145	100 - 115
Non-sustaining capital expenditures <sup>(5)</sup>		70	70 - 85	35 - 50	10 - 25
Capitalized stripping costs <sup>(6)</sup>		194	230 - 245	155 - 175	270 - 290
<b>Total Capital Expenditures</b>	<b>(\$M)</b>	<b>362</b>	<b>430 - 480</b>	<b>320 - 370</b>	<b>380 - 430</b>
<b>Outlook Assumptions<sup>(7)</sup></b>					
Gold Price	(\$/oz)	-	1,750	1,750	1,750
Copper Price	(\$/lb)	-	3.36	3.40	3.40
Canadian Dollar	(CAD/USD)	-	1.31	1.27	1.25

(1) Mount Milligan production and ounces sold are on a 100% basis. The Mount Milligan Streaming Arrangement entitles Royal Gold to 35% and 18.75% of gold and copper sales, respectively, from the Mount Milligan Mine. Under the Mount Milligan Streaming Arrangement, Royal Gold will pay \$435 per ounce of gold delivered and 15% of the

spot price per metric tonne of copper delivered. Assuming a market gold price of \$1,750 per ounce and a market copper price of \$3.36 per pound, Mount Milligan's average realized gold and copper price would be \$1,290 per ounce and \$2.82 per pound, respectively.

- (2) Non-GAAP measure and is discussed under "Non-GAAP Measures".
- (3) Figures are for consolidated Centerra Gold.
- (4) Includes only revenue-based taxes at Kumtor.
- (5) Non-sustaining capital expenditures are distinct projects designed to have a significant increase the net present value of the mine.
- (6) Presented capitalized stripping includes a cash and non-cash component.
- (7) Copper price for 2021 and CAD/USD exchange rates for 2021 and 2022, giving effect to hedges in place as at December 31, 2020.

### ***Kumtor***

Centerra expects an increasing gold production profile at Kumtor over the 2021-2023 period. While the mid-point of gold production in 2021 is expected to be approximately 12% lower than 2020 gold production at the mine, Centerra expects 2022-2023 gold production levels to return to or exceed 2020 levels. Expansion of the mine fleet capacity is expected to allow Kumtor to exceed 2019 mining levels. 2021 capital expenditures are forecast to be less than what is reported in the 2021 Kumtor Technical Report due to eight haul truck purchases being deferred to 2022. Mill improvement projects, including a tower mill project for regrinding of flotation tails is expected to allow Kumtor to achieve higher targeted gold production levels. Gold production and all-in sustaining costs on a by-product basis<sup>NG</sup> over the three-year period are expected to reflect a growing gold production profile with unit costs per ounce fluctuating primarily due to changes in gold production.

### ***Mount Milligan***

Centerra expects strong gold and copper production at Mount Milligan over the 2021-2023 period. The Mount Milligan mill is expected to maintain a stable average daily throughput of approximately 60,000 tonnes per day, the maximum permitted rate. Installation of staged flotation reactors are expected to contribute to achieving targeted gold and copper production levels in 2022 and beyond. All-in sustaining costs on a by-product basis<sup>NG</sup> is expected to be at or below 2020 levels over the three-year period. Centerra expects to have adequate water inventory levels for targeted throughput and is working with government regulators, its First Nations partners, and other stakeholders to maintain access to its existing water resources and secure a stable long-term water solution. The long-term water solution is expected to require additional infrastructure, the capital for which is not included in the capital expenditure guidance. Mount Milligan's current water level is in excess of 6 million cubic metres.

### ***Öksüt***

Gold production at Öksüt in 2021 is expected to be approximately the same as 2020 levels, whereas in 2022 and 2023 gold production is expected to benefit from mining and processing higher grade ore from the Güneytepe pit subject to receipt of all required permits. Construction of Phase 2 of the heap leach pad is expected to be completed by the end of 2021, and with the expanded heap leach capacity, it is expected to be sufficient to achieve targeted gold production in 2022 and 2023. As the Güneytepe pit ore becomes available, the average grade of ore stacked to the heap leach pad is estimated to increase to approximately 2.22 g/t gold (Au) during 2022 and 2023 compared to the estimated 1.27 g/t Au in 2021 and the actual stacked grade of 1.40 g/t Au in 2020. Gold production and all-in sustaining costs<sup>NG</sup> profiles over the three-year period are expected to reflect a growing gold production profile with unit costs per ounce reducing with the increases in gold production.

## 2021 Guidance

### 2021 Gold Production Guidance

Centerra's 2021 gold production is expected to be between 740,000 to 820,000 ounces.

#### *Kumtor*

Kumtor gold production in 2021 is expected to be in the range of 470,000 to 510,000 ounces and reflects lower average grades in the ore stockpiles available for processing compared to 2020. Gold production is expected to rise steadily throughout the year with the first quarter of 2021 contributing approximately 15% of annual gold production rising to approximately 35% in the fourth quarter of 2021. Total tonnes mined are expected to increase to a rate of approximately 550,000 tonnes per day from the average mining rate of 280,000 tonnes per day in 2020 due to the addition of new mining equipment, a resumption of waste rock dumping at the Lysii waste rock dump and fewer expected restrictions due to COVID-19. Mine operations are expected to be focused mainly on waste stripping from cut-back 20 during the first half of 2021, accessing greater amounts of ore in the second half of the year and accessing the high-grade ore in the fourth quarter. The Kumtor mill is scheduling a 6-day mill maintenance shutdown in the third quarter of the year to complete a replacement of the regrind mill motor and carry out SAG mill and regrind mill relines and other maintenance work.

#### *Mount Milligan*

At Mount Milligan, the Company expects to achieve an average daily throughput of approximately 60,000 tonnes per calendar day. Mill maintenance downtimes are scheduled for the first quarter (5 days) and third quarter (4 days) to complete SAG Mill reline replacements and other maintenance work. Mount Milligan's total (streamed and unstreamed) gold production is forecast to be in the range of 180,000 to 200,000 ounces. Gold and copper production is expected to be slightly back-end weighted in 2021 with the first half of the year representing 45% or more of the 2021 annual metal production total while the second half of the year will represent up to 55% of the 2021 annual metal production total. The Company plans to continue to work on continuous improvement projects in 2021, including secondary crusher improvements and the installation of staged flotation reactors which is expected to improve metal recoveries in future years.

#### *Öksüt*

At Öksüt, 2021 will be the first full year of operations and gold production is expected to be in the range of 90,000 to 110,000 ounces. Gold production is expected to be back-end weighted in 2021 with the first half of the year representing 35% or more of the 2021 annual gold production total while the second half of the year will represent up to 65% of the 2021 annual gold production total. Mining will continue at the Keltepe pit in 2021 while the Güneytepe pit is expected to be developed from early 2022 assuming receipt of the forestry permit from the local authorities. The average grade of ore stacked to the heap leach pad in 2021 is expected to be approximately 1.27 g/t Au, which is lower than the average grade of ore stacked in 2020 of approximately 1.40 g/t Au. In 2021, Öksüt is expected to achieve a project-to-date accumulated heap leach recovery of 75%. The Company continues with construction of Phase 2 of the heap leach facility, where excavation has been completed and the Company is currently carrying out levelling activities with clay placement expected to start in May 2021.

### 2021 Copper Production Guidance

Centerra expects total (streamed and unstreamed) copper production from the Mount Milligan Mine to be in the range of 70 to 80 million pounds.

Centerra's 2021 production is currently forecast as follows:

	Units	Kumtor	Mount Milligan <sup>(1)</sup>	Öksüt	Centerra Consolidated
<b>Gold</b>					
Unstreamed Gold Production	(Koz)	470-510	117-130	90-110	677-750
Streamed Gold Production <sup>(1)</sup>	(Koz)	-	63-70	-	63-70
<b>Total Gold Production<sup>(2)</sup></b>	<b>(Koz)</b>	<b>470-510</b>	<b>180-200</b>	<b>90-110</b>	<b>740-820</b>
<b>Copper</b>					
Unstreamed Copper Production	(Mlb)	-	57-65	-	57-65
Streamed Copper Production <sup>(1)</sup>	(Mlb)	-	13-15	-	13-15
<b>Total Copper Production<sup>(3)</sup></b>	<b>(Mlb)</b>	<b>-</b>	<b>70-80</b>	<b>-</b>	<b>70-80</b>

(1) The Mount Milligan Streaming Arrangement entitles Royal Gold to 35% and 18.75% of gold and copper sales, respectively, from the Mount Milligan Mine. Under the Mount Milligan Streaming Arrangement, Royal Gold will pay \$435 per ounce of gold delivered and 15% of the spot price per metric tonne of copper delivered.

(2) Gold production assumes recoveries of 81.9% at Kumtor, 63.9% at Mount Milligan and approximately 75% at Öksüt.

(3) Copper production assumes 78.8% recovery for copper at Mount Milligan.

### 2021 Sales, All-in Sustaining and All-in Unit Costs Guidance<sup>NG</sup>

Centerra's 2021 sales, all-in sustaining costs per ounce<sup>NG</sup> calculated on a by-product and co-product basis, and all-in costs per ounce<sup>NG</sup> calculated on a by-product basis are forecasted as follows:

	Units	Kumtor	Mount Milligan	Öksüt	Centerra Consolidated <sup>(2)</sup>
<b>Ounces of gold sold</b>	<b>(Koz)</b>	<b>470 - 510</b>	<b>180 - 200</b>	<b>90 - 110</b>	<b>740 - 820</b>
<b>Gold production costs</b>	<b>(\$/oz)</b>	<b>400 - 450</b>	<b>650 - 700</b>	<b>500 - 550</b>	<b>475 - 525</b>
<b>All-in sustaining costs on a by-product basis<sup>(1)</sup></b>	<b>(\$/oz)</b>	<b>950 - 1,000</b>	<b>530 - 580</b>	<b>730 - 780</b>	<b>850 - 900</b>
Revenue-based taxes	(\$/oz)	250 - 255	-	-	160 - 165
All-in sustaining costs on a by-product basis, including revenue-based taxes <sup>(1), (2), (3)</sup>	(\$/oz)	1,200 - 1,255	530 - 580	730 - 780	1,010 - 1,065
<b>All-in costs on a by-product basis<sup>(1), (2), (3)</sup></b>	<b>(\$/oz)</b>	<b>1,365 - 1,420</b>	<b>590 - 640</b>	<b>790 - 840</b>	<b>1,175 - 1,230</b>
Gold - All-in sustaining costs on a co-product basis <sup>(1),(2)</sup>	(\$/oz)	950 - 1,000	910-1,025	730 - 780	950-1,055
<b>Copper production costs</b>	<b>(\$/lb)</b>	<b>-</b>	<b>1.30-1.45</b>	<b>-</b>	<b>1.30-1.45</b>
Copper - All-in sustaining costs on a co-product basis <sup>(1),(2)</sup>	(\$/lb)	-	1.75-1.95	-	1.75-1.95

(1) All-in sustaining costs and all-in costs on a by-product and co-product basis are non-GAAP measures and are discussed under "Non-GAAP Measures". Gold production cost per ounce is different from the all-in sustaining costs on a by-product basis measure and is considered the nearest GAAP measure.

(2) Mount Milligan production and ounces sold are on a 100% basis (the Mount Milligan Streaming Arrangement entitles Royal Gold to 35% and 18.75% of gold and copper sales, respectively). Unit costs and consolidated unit costs include a credit for forecasted copper sales treated as by-product for all-in sustaining costs and all-in sustaining costs including revenue-based taxes. Production for copper and gold reflects estimated metallurgical losses resulting from handling of the concentrate and metal deductions, subject to metal content, levied by smelters.

(3) Includes revenue-based taxes at Kumtor.

Gold production costs are expected to increase to \$475 to \$525 per ounce range up from 2020 consolidated gold production costs of \$419 per ounce due to higher operating costs at Kumtor and Öksüt, lower gold production at Kumtor and lower copper production at Mount Milligan.

Consolidated all-in sustaining costs on a by-product basis<sup>NG</sup> are expected to be in the range of \$850 to \$900 per ounce. Kumtor's all-in sustaining costs on a by-product basis<sup>NG</sup> are expected to increase to \$950 to \$1,000 per ounce range driven by lower gold production and higher capitalized stripping and mining costs reflecting the expansion of mining activities. Mount Milligan's all-in sustaining costs on a by-product basis<sup>NG</sup> are expected to be in line with 2020 levels as higher production costs attributable to increased mill throughput are offset by higher gold production and a higher credit for copper sales. Öksüt's all-in sustaining costs on a by-product basis<sup>NG</sup> are expected to increase to a range of \$730 to \$780 per ounce, reflecting lower ore grades, higher sustaining capital expenditures and capitalized stripping costs compared to 2020.

Consolidated all-in costs on a by-product basis<sup>NG</sup> are expected to be in the range of \$1,175 to \$1,230 per ounce. Kumtor's all-in costs on a by-product basis<sup>NG</sup> are expected to be in the range of \$1,365 to \$1,420 per ounce due to lower gold production, higher all-in sustaining costs, increases in non-sustaining capital and site exploration expenditures planned for 2021. Mount Milligan's all-in costs on a by-product basis<sup>NG</sup> of \$590 to \$640 per ounce are expected to be in line with 2020. Öksüt's all-in costs on a by-product basis<sup>NG</sup> are expected to be between \$790 to \$840 per ounce reflecting the higher all-in sustaining costs offset by lower non-sustaining capital expenditures planned for 2021.

Consolidated cash flow provided by operations and consolidated free cash flow<sup>NG</sup> are expected to be in the range of \$750 to \$800 million and the range of \$350 to \$400 million (assuming US\$1,750 gold price), respectively.

## 2021 Capital Expenditures

Projected capital expenditures is currently forecast as follows:

<b>Projects (\$ millions)</b>	<b>Capitalized Stripping</b>	<b>Sustaining Capital</b>	<b>Non-sustaining Capital<sup>(1)</sup></b>	<b>Total</b>
Kumtor Mine <sup>(2)</sup>	220 - 230	55 - 65	60 - 70	335 - 365
Mount Milligan Mine	-	65 - 70	5 - 10	70 - 80
Öksüt Mine <sup>(2)</sup>	10 - 15	5 - 10	-	15 - 25
Other <sup>(3)</sup>	-	5	5	10
<b>Consolidated Total</b>	<b>230 - 245</b>	<b>130 - 150</b>	<b>70 - 85</b>	<b>430 - 480</b>

1) Non-sustaining capital expenditures are distinct projects designed to increase the net present value of the mine.

2) Capitalized stripping costs include cash components of \$185 to \$205 million at Kumtor Mine, and \$10 to \$15 million at Öksüt Mine.

3) Non-sustaining capital relates to the completion of construction at Öksüt and development activities at Kemess Underground Project.

### ***Kumtor***

Sustaining capital expenditure is projected at \$55 to \$65 million in 2021 and relates primarily to major overhauls, purchase of mining equipment, replacement of regrind mill motor, and dewatering projects.

Non-sustaining capital investment at Kumtor for 2021 is forecast at \$60 to \$70 million which includes, expansion of the leach circuit, the tower mill project for regrinding of flotation tails to improve future recoveries, and additional capital expenditures for mine life extension related to development of the cut-back 21 and Hockey Stick zones, including mine fleet expansion and raising of the tailings dam.

The cash component of capitalized stripping costs related to the development of the open pit is expected to be \$185 to \$205 million of the \$220 to \$230 million range for total capitalized stripping costs.

### ***Mount Milligan***

Sustaining capital expenditure in 2021 is forecast to be \$65 to \$70 million and relate primarily to tailings storage facility costs, major overhauls and water management costs.

Non-sustaining capital investment at Mount Milligan for 2021 is forecast at \$5 to \$10 million for the installation of staged flotation reactors to improve future metal recoveries.

### ***Öksüt***

In 2021 sustaining capital spending is estimated to be \$5 to \$10 million and relates primarily to the costs for construction of the Phase 2 heap leach expansion, and electric equipment costs.

The cash component of capitalized stripping costs related to the development of the open pit is expected to be \$10 to \$15 million representing 100% of total capitalized stripping costs.

### ***Kemess Underground Project***

In 2021, total spending at the Kemess Underground Project is estimated at approximately \$13 to \$15 million, including \$11 million for care and maintenance activities.

### **Molybdenum Business Unit**

In 2021, the Langeloth metallurgical roasting facility is expected to generate sufficient operating margins to cover the care and maintenance costs of the Endako Mine and the Thompson Creek Mine. Care and maintenance expenses related to the Molybdenum unit are currently estimated to be between \$14 and \$15 million for 2021 and the Company's assumed molybdenum price is \$9.00 per pound.

### **2021 Exploration Expenditures**

Planned exploration expenditures for 2021 are expected to be \$50 million, including approximately \$34 million for brownfields exploration (Kumtor - \$21 million, Mount Milligan - \$6 million, Öksüt - \$3.5 million and Kemess - \$3 million) and the balance for greenfields and generative exploration programs.

### **2021 Corporate Administration**

Corporate and administration expense for 2021 is forecast to be between \$35 million and \$40 million (including \$8 million to \$10 million of stock-based compensation expense).

### **2021 Depreciation, Depletion and Amortization**

Consolidated depreciation, depletion, and amortization (DD&A) expense included in costs of sales expense for 2021 is forecasted to be in the range of \$240 to \$270 million, including Kumtor's DD&A expense of \$150 to \$170 million, Mount Milligan's DD&A expense of \$55 million to \$65 million, and Öksüt's DD&A expense of \$25 to \$35 million.

### **2021 Taxes**

Pursuant to the Restated Investment Agreement, Kumtor's operations are not subject to corporate income taxes. Instead, the Restated Investment Agreement imposes a tax of 13% on gross revenue plus 1% of gross revenue payable to the Issyk-Kul Development Fund. The Mount Milligan operations are subject to corporate income tax and British Columbia mineral tax. The British Columbia mineral tax is forecast to be between \$7 and \$9

million. At Öksüt, income tax is expected to be between \$1 to \$2 million. At the Canadian parent company level, corporate income tax for 2021 is forecast to be nil.

## 2021 Sensitivities

Centerra's revenues, earnings, and cash flows for 2021 are sensitive to changes in certain key inputs or currencies. The Company has estimated the impact of any such changes on revenues, net earnings, and cash flows.

		Impact on (\$ millions)					Impact on (\$ per ounce sold)
		Production Costs & Taxes	Capital Costs	Revenues	Cash flows	Net Earnings (after tax)	AISC <sup>(2),(3)</sup> on by- product basis
Gold price	<b>\$50/oz</b>	5.5 – 6.0	-	34.0 – 37.5	28.5 – 31.5	28.5 – 31.5	2.5 – 3.0
Copper price <sup>(4)</sup>	<b>10%</b>	0.1 – 0.5	-	3.0 – 5.5	3.0 – 5.0	3.0 – 5.0	6.0 – 7.0
Diesel fuel <sup>(3)</sup>	<b>10%</b>	5.5 – 7.0	11.5 – 14.0	-	17.0 – 21.0	5.5 – 7.0	23.0 – 25.5
Kyrgyz som <sup>(1)</sup>	<b>1 som</b>	1.0 – 2.0	-	-	1.0 – 2.0	1.0 – 2.0	2.0 – 2.5
Canadian dollar <sup>(1),(3)</sup>	<b>10 cents</b>	9.5 – 11.0	1.5 – 2.0	-	11.0 – 13.0	9.5 – 11.0	14.5 – 16.0
Turkish lira <sup>(1)</sup>	<b>1 lira</b>	3.0 – 4.0	0.5 – 1.0	-	3.5 – 5.0	3.0 – 4.0	5.5 – 6.0

(1) Appreciation of currency against the U.S. dollar will result in higher costs and lower cash flow and earnings, depreciation of currency against the U.S. dollar results in decreased costs and increased cash flow and earnings.

(2) Non-GAAP measure. See discussion under “Non-GAAP Measures”.

(3) Includes the effect of hedging programs.

(4) 2021 copper sales are hedged up to 85%.

Production, cost and capital forecasts for 2021 are forward-looking information and are based on key assumptions and subject to material risk factors that could cause actual results to differ materially and which are discussed herein under the headings “2021 Material Assumptions” and “Caution Regarding Forward-Looking Information” in this document and under the heading “Risks That Can Affect Our Business” in this document and the Company's most recently filed Annual Information Form.

## 2021 Material Assumptions

Material assumptions or factors used to forecast production and costs for 2021, after giving effect to the hedges in place as at December 31, 2020, include the following:

- a market gold price of \$1,750 per ounce and an average realized gold price at Mount Milligan of \$1,290 per ounce after reflecting the streaming arrangement with Royal Gold (35% of Mount Milligan's gold at \$435 per ounce).
- a market copper price of \$3.36 per pound and an average realized copper price at Mount Milligan of \$2.82 per pound after reflecting the streaming arrangement with Royal Gold (18.75% of Mount Milligan's copper at 15% of the spot price per metric tonne).
- a molybdenum price of \$9.00 per pound.
- exchange rates:
  - \$1USD:\$1.31 Canadian dollar,
  - \$1USD:80.00 Kyrgyz som,
  - \$1USD:7.50 Turkish lira.



- diesel fuel price assumption:
  - \$0.44/litre at Kumtor,
  - \$0.69/litre (CAD\$0.90/litre) at Mount Milligan.

### ***Kumtor Fuel***

The assumed diesel price of \$0.44/litre at Kumtor assumes that no Russian export duty will be paid on the fuel exports from Russia to the Kyrgyz Republic. Diesel fuel for Kumtor is sourced from separate Russian suppliers. The diesel fuel price assumes a price of oil of approximately \$53 per barrel. Crude oil is a component of diesel fuel purchased by the Company, such that changes in the price of Brent crude oil generally impacts diesel fuel prices.

### ***Mount Milligan Streaming Arrangement***

The Mount Milligan Mine is an open pit mine located in north central British Columbia, Canada producing a gold and copper concentrate. Production at Mount Milligan is subject to an arrangement with RGLD Gold AG and Royal Gold, Inc. (together, “Royal Gold”) pursuant to which Royal Gold is entitled to purchase 35% of the gold produced and 18.75% of the copper production at the Mount Milligan Mine for \$435 per ounce of gold delivered and 15% of the spot price per metric tonne of copper delivered (the “Mount Milligan Streaming Arrangement”). To satisfy its obligations under the Mount Milligan Streaming Arrangement the Company purchases refined gold and copper warrants and arranges for delivery to Royal Gold. The difference between the cost of the purchases of refined gold and copper warrants, and the corresponding amounts payable to the Company under the Mount Milligan Streaming Arrangement is recorded as a reduction of revenue and not a cost of operating the mine.

### ***Other Material Assumptions***

Other material assumptions used in forecasting production and costs for 2021 can be found under the heading “Caution Regarding Forward-Looking Information” in this document. Production, cost, and capital forecasts for 2021 are forward-looking information and are based on key assumptions and subject to material risk factors that could cause actual results to differ materially and which are discussed under the heading “Risks That Can Affect Our Business” in the Company’s most recent Annual Information Form.

### **Qualified Person & QA/QC – Production Information**

The production information and other scientific and technical information presented in this document, including the production estimates were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and NI 43-101 and were prepared, reviewed, verified, and compiled by Centerra’s geological and mining staff under the supervision of Slobodan (Bob) Jankovic, Professional Geoscientist, member of the Association of Professional Geoscientists of Ontario (APGO) and Centerra’s Senior Director, Technical Services, who is a qualified person for the purpose of NI 43-101. Unless otherwise noted below, sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent certified assay labs are used.

The Kumtor deposit is described in a NI 43-101 technical report dated February 24, 2021 and filed on SEDAR at [www.sedar.com](http://www.sedar.com). The technical report describes the exploration history, geology, and style of gold mineralization at the Kumtor deposit. Sample preparation, analytical techniques, laboratories used, and quality assurance-quality control protocols used are described in the technical report.

The Mount Milligan deposit is described in a NI 43-101 technical report dated March 26, 2020 and filed on SEDAR at [www.sedar.com](http://www.sedar.com). The technical report describes the exploration history, geology, and style of gold mineralization at the Mount Milligan deposit. Sample preparation, analytical techniques, laboratories used, and

quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent certified assay labs.

The Öksüt deposit is described in a NI 43-101 technical report dated September 3, 2015 and filed on SEDAR at [www.sedar.com](http://www.sedar.com). The technical report describes the exploration history, geology, and style of gold mineralization at the Öksüt deposit. Sample preparation, analytical techniques, laboratories used, and quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent certified assay labs.

### **Non-GAAP Measures**

The Company elected to present the World Gold Council's ("WGC") financial measure all-in costs on a by-product basis per ounce ("AIC"), which incorporates non-sustaining capital expenditures and certain development and overhead costs in addition to the sustaining costs that are included in the all-in sustaining costs on a by-product basis metric. Management believes the AIC metric will assist stakeholders in understanding the costs associated with producing gold over the entire lifecycle of the mine.

This document contains the following non-GAAP financial measures: all-in sustaining costs per ounce sold on a by-product basis, all-in sustaining costs per ounce sold on a by-product basis including revenue-based taxes, and all-in sustaining costs per ounce sold on a co-product basis and all-in costs on a by-product basis per ounce. These financial measures do not have any standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers, even as compared to other issuers who may be applying the World Gold Council ("WGC") guidelines, which can be found at <http://www.gold.org>.

Management believes that the use of these non-GAAP measures will assist analysts, investors and other stakeholders of the Company in understanding the costs associated with producing gold, understanding the economics of gold mining, assessing our operating performance, our ability to generate cash flow from current operations and to generate cash flow on an overall Company basis, and for planning and forecasting of future periods. However, the measures do have limitations as analytical tools as they may be influenced by the point in the life cycle of a specific mine and the level of additional exploration or expenditures a company has to make to fully develop its properties. Accordingly, these non-GAAP measures should not be considered in isolation, or as a substitute for, analysis of our results as reported under GAAP.

### **Definitions**

The following is a description of the non-GAAP measures used in this news release:

- *All-in sustaining costs on a by-product basis* include adjusted operating costs, the cash component of capitalized stripping costs, corporate general and administrative expenses, accretion expenses, and sustaining capital, net of copper and silver credits. The measure incorporates costs related to sustaining production. When calculating All-in sustaining costs on a by-product basis, all revenue received from the sale of copper from the Mount Milligan mine, as reduced by the effect of the copper stream, is treated as a reduction of costs incurred.
- *All-in sustaining costs on a by-product basis including revenue-based taxes* includes revenue-based taxes at Kumtor.
- *All-in sustaining costs on a co-product basis per ounce* of gold or per pound of copper, operating costs are allocated between copper and gold based on production. To calculate the allocation of operating costs, copper production has been converted to ounces of gold equivalent using the copper production for the periods presented, as well as an average of the futures prices during the quotational pricing period for copper and gold sold from Mount Milligan. For 2021, based on the assumed copper price of \$3.36 per pound and assumed gold price of \$1,750 per ounce, 521 pounds of copper was equivalent to one ounce of gold.

- *All-in costs on a by-product basis per ounce* include all-in sustaining costs on a by-product basis including revenue-based taxes, exploration and study costs, non-sustaining capital expenditures, care and maintenance and pre-development costs.
- *Non-sustaining capital expenditures* are costs incurred at new operations and costs related to major projects at existing operations where these projects are expected to materially benefit the operation.
- *Free cash flow* is calculated as cash provided by operations less additions to property, plant and equipment.

### **Caution Regarding Forward-Looking Information**

*Information contained in this news release which are not statements of historical facts, and the documents incorporated by reference herein, may be “forward-looking information” for the purposes of Canadian securities laws. Such forward-looking information involves risks, uncertainties and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward looking information. The words “believe”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule” and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things; the Company’s expectations regarding future gold and copper production, gold production costs per ounce, all-in sustaining costs on a by-product basis<sup>NG</sup>; consolidated cash provided by operations, consolidated free cash flow<sup>NG</sup>, and other statements made under the headings “2021 - 2023 Outlook” and “2021 Guidance” including expectations regarding accessing the higher grade ore at Öksüt’s Güneytepe pit in early 2022 and its impact on gold production at Öksüt; timing for the completion of Phase 2 of the heap leach pad at the Öksüt Mine; expected throughput at Mount Milligan; 2021 capital expenditures; 2021 exploration expenditures; 2021 corporate administration expenses; 2021 depreciation, depletion and amortization expenses; 2021 tax expenses; and expectations for the Molybdenum Business Unit.*

*Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable by Centerra, are inherently subject to significant technical, political, business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking information. Factors and assumptions that could cause actual results or events to differ materially from current expectations include, among other things: (A) strategic, legal, planning and other risks, including: political risks associated with the Company’s operations in the Kyrgyz Republic, Turkey and Canada; the failure of the Kyrgyz Republic Government to comply with its continuing obligations under the Strategic Agreement, including the requirement that it comply at all times with its obligations under the Kumtor Project Agreements, to allow for the continued operation of the Kumtor Mine by KGC and KOC and not take any expropriation action against the Kumtor Mine; actions by the Kyrgyz Republic Government or any state agency or the General Prosecutor’s Office that serve to restrict or otherwise interfere with the payment of funds by KGC and KOC to Centerra; resource nationalism including the management of external stakeholder expectations; the impact of changes in, or to the more aggressive enforcement of, laws, regulations and government practices, including unjustified civil or criminal actions against the Company, its affiliates or its current or former employees; risks that community activism may result in increased contributory demands or business interruptions; the impact of any actions taken by the Kyrgyz Government and Parliament relating to the Kumtor Project Agreements which are inconsistent with the rights of Centerra and KGC under the Kumtor Project Agreements; the risks related to other outstanding litigation affecting the Company; the impact of constitutional changes in Turkey; the impact of the delay by relevant government agencies to provide required approvals, expertises and permits; potential impact on the Kumtor Project of investigations by Kyrgyz Republic instrumentalities; the impact of any sanctions imposed by Canada, the United States or other jurisdictions against various Russian and Turkish individuals and entities; potential defects of title in the Company’s properties that are not known as of the date hereof; the inability of the Company and its subsidiaries to enforce their legal rights in certain circumstances; the presence of a significant shareholder that is a state-owned company of the Kyrgyz Republic; risks related to anti-corruption legislation; risks related to the concentration of assets in Central Asia; Centerra not being able to replace mineral reserves; Indigenous claims and consultative issues relating to the Company’s properties which are in proximity to Indigenous communities; and potential risks related to kidnapping or acts of terrorism; (B) risks relating to financial matters, including: sensitivity of the Company’s business to the volatility of gold, copper and other mineral prices, the use of provisionally-priced sales contracts for production at Mount Milligan, reliance on a few key customers for the gold-copper concentrate at Mount Milligan and at Kumtor there is reliance on Kyrgyzaltyn, as Centerra sells all of its gold doré produced from the Kumtor Mine to Kyrgyzaltyn pursuant*

to the Restated Gold and Silver Sale Agreement; use of commodity derivatives, the imprecision of the Company's mineral reserves and resources estimates and the assumptions they rely on, the accuracy of the Company's production and cost estimates, the impact of restrictive covenants in the Company's credit facilities which may, among other things, restrict the Company from pursuing certain business activities or making distributions from its subsidiaries, the Company's ability to obtain future financing, the impact of global financial conditions, the impact of currency fluctuations, the effect of market conditions on the Company's short-term investments, the Company's ability to make payments including any payments of principal and interest on the Company's debt facilities depends on the cash flow of its subsidiaries; and (C) risks related to operational matters and geotechnical issues and the Company's continued ability to successfully manage such matters, including the stability of the pit walls at our operations, the movement of the Davidov Glacier, waste and ice movement and continued performance of the buttress at the Kumtor Mine; the occurrence of further ground movements at the Kumtor Mine and mechanical availability; the risk of having sufficient water to continue operations at the Mount Milligan Mine and achieve expected mill throughput; changes to, or delays in, transportation routes, including cessation or disruption in rail and shipping networks whether caused by decisions of third party providers or force majeure events (including COVID-19); the success of the Company's future exploration and development activities, including the financial and political risks inherent in carrying out exploration activities; inherent risks associated with the use of sodium cyanide in the mining operations; the adequacy of the Company's insurance to mitigate operational risks; mechanical breakdowns; the Company's ability to replace its mineral reserves; the occurrence of any labour unrest or disturbance and the ability of the Company to successfully re-negotiate collective agreements when required; the risk that Centerra's workforce and operations may be exposed to widespread epidemic including but not limited to the COVID-19 pandemic; seismic activity in the vicinity of the Company's properties; long lead times required for equipment and supplies given the remote location of some of the Company's operating properties; reliance on a limited number of suppliers for certain consumables, equipment and components; the ability of the Company to address physical and transition risks from climate change and sufficiently manage stakeholder expectations on climate related issues; the Company's ability to accurately predict decommissioning and reclamation costs; the Company's ability to attract and retain qualified personnel; competition for mineral acquisition opportunities; risks associated with the conduct of joint ventures/partnerships; and the Company's ability to manage its projects effectively and to mitigate the potential lack of availability of contractors, budget and timing overruns and project resources. See section titled "Risks that can affect our business" in the Company's most recently filed Annual Information Form available on SEDAR at [www.sedar.com](http://www.sedar.com).

*There can be no assurances that forward-looking information and statements will prove to be accurate, as many factors and future events, both known and unknown could cause actual results, performance, or achievements to vary or differ materially from the results, performance or achievements that are or may be expressed or implied by such forward-looking statements contained herein or incorporated by reference. Accordingly, all such factors should be considered carefully when making decisions with respect to Centerra, and prospective investors should not place undue reliance on forward-looking information. Forward-looking information is as of February 24, 2021. Centerra assumes no obligation to update or revise forward looking information to reflect changes in assumptions, changes in circumstances or any other events affecting such forward-looking information, except as required by applicable law.*

### **About Centerra**

Centerra Gold Inc. is a Canadian-based gold mining company focused on operating, developing, exploring and acquiring gold properties in North America, Asia and other markets worldwide and is one of the largest Western-based gold producers in Central Asia. Centerra operates three mines, the Kumtor Mine in the Kyrgyz Republic, the Mount Milligan Mine in British Columbia, Canada and the Öksüt Mine in Turkey. Centerra's shares trade on the Toronto Stock Exchange (TSX) under the symbol CG. The Company is based in Toronto, Ontario, Canada.

### **For more information:**

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**Additional information on Centerra is available on the Company's web site at [www.centerragold.com](http://www.centerragold.com) and at SEDAR at [www.sedar.com](http://www.sedar.com).**

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