
Mount Milligan


Öksüt


Goldfield

centerra GOLD

Building a strong, stable platform.

2023 Second Quarter Results

August 1, 2023

TSX: CG NYSE: CGAU

Caution Regarding Forward Looking Information

Information contained in this document which is not a statement of historical fact, and the documents incorporated by reference herein, may be “forward-looking information” for the purposes of Canadian securities laws and within the meaning of the United States Private Securities Litigation Reform Act of 1995. 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 “assume”, “anticipate”, “believe”, “budget”, “contemplate”, “continue”, “de-risk”, “estimate”, “expand”, “expect”, “explore”, “forecast”, “future”, “in line”, “intend”, “may”, “on track”, “optimize”, “plan”, "potential", “restart”, “result”, “schedule”, “seek”, “subject to”, “target”, “understand”, “update”, “will”, and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things: statements regarding 2023 Outlook and 2023 Guidance, including production, costs, capital expenditures, depreciation, depletion and amortization, taxes and cash flows; the expected profile of the Company’s future production and costs, including expectations that the Mount Milligan Mine is on track to access higher grades in the second half of 2023, Mount Milligan Mine’s production will be weighted to the back end of 2023 and its shipment profile in 2023, plans and expectations for a ramp-up of gold processing at the Öksüt Mine, including the commissioning of a second electrowinning cell, cash processing costs for Öksüt Mine’s gold in carbon inventory and gold in ore stockpiles and on the heap leach pad, the release of working capital from the Molybdenum Business Unit, and ongoing evaluations of a restart of the Thompson Creek Mine.

Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable by Centerra, are inherently subject to significant 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 Türkiye, the USA and Canada; 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 action 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 risks related to outstanding litigation affecting the Company; 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; risks related to anti-corruption legislation; 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 the Mount Milligan Mine; reliance on a few key customers for the gold-copper concentrate at the Mount Milligan Mine; 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; changes to tax regimes; 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, which 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 the Company’s operations; the integrity of tailings storage facilities and the management thereof, including as to stability, compliance with laws, regulations, licenses and permits, controlling seepages and storage of water, where applicable; the risk of having sufficient water to continue operations at the Mount Milligan Mine and achieve expected mill throughput; changes to, or delays in the Company’s supply chain and transportation routes, including cessation or disruption in rail and shipping networks, whether caused by decisions of third-party providers or force majeure events (including, but not limited to: labour action, flooding, wildfires, earthquakes, COVID-19, or other global events such as wars); 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 and corporate risks; mechanical breakdowns; the occurrence of any labour unrest or disturbance and the ability of the Company to successfully renegotiate collective agreements when required; the risk that Centerra’s workforce and operations may be exposed to widespread epidemic or pandemic; seismic activity, including earthquakes; wildfires; long lead-times required for equipment and supplies given the remote location of some of the Company’s operating properties and disruptions caused by global events; 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 and the assumptions they rely upon; 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. For additional risk factors, please see section titled “Risks Factors” in the Company’s most recently filed Annual Information Form (“AIF”) available on SEDAR at www.sedar.com and EDGAR at www.sec.gov/edgar.

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 July 31, 2023. 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.

All 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 reviewed, verified, and compiled by Centerra’s geological and mining staff under the supervision of W. Paul Chawrun, Professional Engineer, member of the Professional Engineers of Ontario (PEO), who is a “Qualified Person” for the purposes of NI 43-101. Sample preparation, analytical techniques, laboratories used and quality assurance and quality control protocols are done consistent with industry standards and independent certified assay labs are used.

Use of Non-GAAP and Other Specified Financial Measures

This document contains "specified financial measures" within the meaning of NI 52-112, specifically the non-GAAP financial measures, non-GAAP ratios and supplementary financial measures described below. Management believes that the use of these measures assists analysts, investors and other stakeholders of the Company in understanding the costs associated with producing gold and copper, understanding the economics of gold and copper mining, assessing operating performance, the Company's ability to generate free cash flow from current operations and on an overall Company basis, and for planning and forecasting of future periods. However, the measures 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 other expenditures a company has to make to fully develop its properties. The specified financial measures used in this document do not have any standardized meaning prescribed by IFRS and may not 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. Accordingly, these specified financial measures should not be considered in isolation, or as a substitute for, analysis of the Company's recognized measures presented in accordance with IFRS.

The following is a description of the non-GAAP financial measures, non-GAAP ratios and supplementary financial measures used in this document:

- *All-in sustaining costs on a by-product basis per ounce* is a non-GAAP ratio calculated as all-in sustaining costs on a by-product basis divided by ounces of gold sold. All-in sustaining costs on a by-product basis is a non-GAAP financial measure calculated as the aggregate of production costs as recorded in the condensed consolidated statements of (loss) earnings, refining and transport costs, the cash component of capitalized stripping and sustaining capital expenditures, lease payments related to sustaining assets, corporate general and administrative expenses, accretion expenses, asset retirement depletion expenses, copper and silver revenue and the associated impact of hedges of by-product sales revenue. 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. A reconciliation of all-in sustaining costs on a by-product basis to the nearest IFRS measure is set out below. Management uses these measures to monitor the cost management effectiveness of each of its operating mines.
- *All-in sustaining costs on a co-product basis per ounce of gold or per pound of copper*, is a non-GAAP ratio calculated as all-in sustaining costs on a co-product basis divided by ounces of gold or pounds of copper sold, as applicable. All-in sustaining costs on a co-product basis is a non-GAAP financial measure based on an allocation of production costs between copper and gold based on the conversion of copper production to equivalent ounces of gold. The Company uses a conversion ratio for calculating gold equivalent ounces for its copper sales calculated by multiplying the copper pounds sold by estimated average realized copper price and dividing the resulting figure by estimated average realized gold price. For the second quarter ended June 30, 2023, 423 pounds of copper were equivalent to one ounce of gold. A reconciliation of all-in sustaining costs on a co-product basis to the nearest IFRS measure is set out below. Management uses these measures to monitor the cost management effectiveness of each of its operating mines.
- *Sustaining capital expenditures* and *Non-sustaining capital expenditures* are non-GAAP financial measures. Sustaining capital expenditures are defined as those expenditures required to sustain current operations and exclude all expenditures incurred at new operations or major projects at existing operations where these projects will materially benefit the operation. *Non-sustaining capital expenditures* are primarily costs incurred at 'new operations' and costs related to 'major projects at existing operations' where these projects will materially benefit the operation. A material benefit to an existing operation is considered to be at least a 10% increase in annual or life of mine production, net present value, or reserves compared to the remaining life of mine of the operation. A reconciliation of sustaining capital expenditures and non-sustaining capital expenditures to the nearest IFRS measures is set out below. Management uses the distinction of the sustaining and non-sustaining capital expenditures as an input into the calculation of all-in sustaining costs per ounce and all-in costs per ounce.
- *All-in costs on a by-product basis per ounce* is a non-GAAP ratio calculated as all-in costs on a by-product basis divided by ounces sold. All-in costs on a by-product basis is a non-GAAP financial measure which includes all-in sustaining costs on a by-product basis, exploration and study costs, non-sustaining capital expenditures, care and maintenance and other costs. A reconciliation of all-in costs on a by-product basis to the nearest IFRS measures is set out below. Management uses these measures to monitor the cost management effectiveness of each of its operating mines.
- *Adjusted net (loss) earnings* is a non-GAAP financial measure calculated by adjusting net (loss) earnings as recorded in the condensed consolidated statements of (loss) earnings for items not associated with ongoing operations. The Company believes that this generally accepted industry measure allows the evaluation of the results of income-generating capabilities and is useful in making comparisons between periods. This measure adjusts for the impact of items not associated with ongoing operations. A reconciliation of adjusted net (loss) earnings to the nearest IFRS measures is set out below. Management uses this measure to monitor and plan for the operating performance of the Company in conjunction with other data prepared in accordance with IFRS.
- *Free cash flow (deficit)* is a non-GAAP financial measure calculated as cash provided by operating activities from continuing operations less property, plant and equipment additions. A reconciliation of free cash flow to the nearest IFRS measures is set out below. Management uses this measure to monitor the amount of cash available to reinvest in the Company and allocate for shareholder returns.
- *Free cash flow (deficit) from mine operations* is a non-GAAP financial measure calculated as cash provided by mine operations less property, plant and equipment additions. A reconciliation of free cash flow from mine operations to the nearest IFRS measures is set out below. Management uses this measure to monitor the degree of self-funding of each of its operating mines and facilities.

Additional information about these measures, including explanations of their composition, explanations of how these measures provide useful information to investors and quantitative reconciliations to the most directly comparable financial measures in the Company's unaudited financial statements for the quarters ended June 30, 2023 and 2022, is included in the section titled "Non-GAAP and Other Financial Measures" of the Q2 2023 MD&A, which section is incorporated by reference herein. The Q2 2023 MD&A is available under the Company's profile on SEDAR at www.sedar.com.

Corporate Highlights

✓	**On May 31, 2023, obtained regulatory approval of an amended Environmental Impact Assessment ("EIA") for the Öksüt Mine and resumed full operations on June 5, 2023.**
✓	**Q2'23 production of 61,622 ounces and 14M pounds of Copper, including a partial month of production from the Öksüt Mine totaling 20,503 ounces of gold.**
✓	**Updated 2023 consolidated production outlook of 340,000-360,000 ounces of gold, including 180,000-190,000 ounces of gold from Öksüt, and near the low end of 160,000-170,000 ounces of gold from Mount Milligan.** **2023 copper production outlook of 60-70 million pounds (unchanged).**
✓	**Comprehensive evaluation of Centerra's assets on-going with the goal of rolling out a new corporate strategy in the coming months.**
✓	**Repurchased and cancelled ~1.3M common shares for the total consideration of $7.3M (C$9.7M) in Q2'23.**
✓	**Declared quarterly dividend of CAD $0.07 per share in Q2'23.**



ESG Highlights

In Q2’23, the Öksüt Mine achieved one million hours without a lost-time work injury and the Mount Milligan Mine achieved a health and safety trophy for a mine rescue competition team, where they took first place for both the BC North Zone competition and at the provincial level.

Responsible Gold Mining Principles (“RGMP”) conformance report, along with an independent assurance letter concluding Centerra's conformance with the RGMPs, will be integrated into Centerra’s forthcoming 2022 Annual ESG Report.

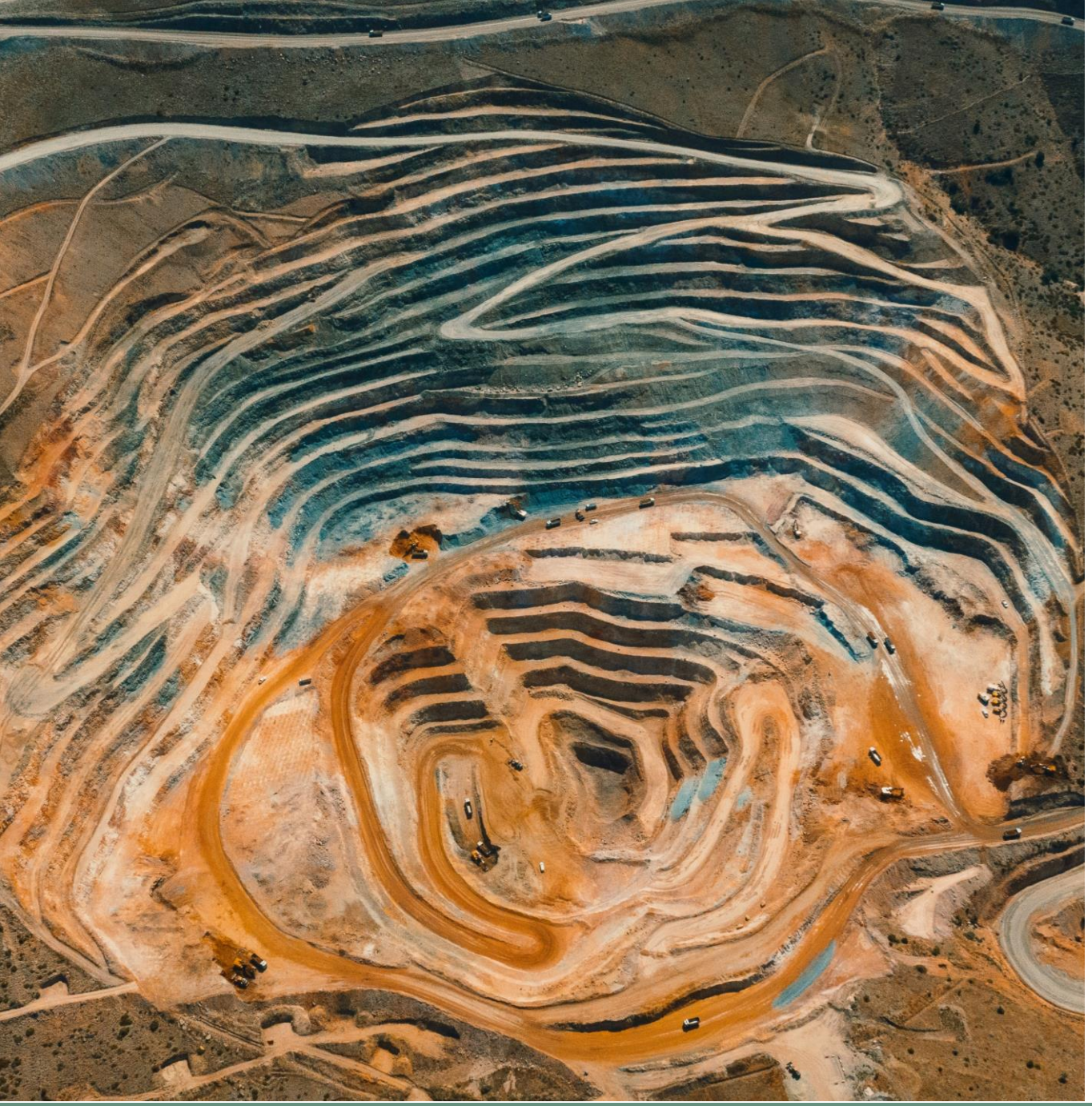
In 2022, Centerra installed a permanent electric pumping system at Mount Milligan Mine, which enabled the recycling of 450,000 m3 of water and led to a decrease in the site’s external water consumption.

Centerra continues to make progress on the development of its climate and nature strategy aligned with recommendations from the Task Force on Climate-related Financial Disclosures (“TCFD”).

A Global DEI strategy and multi-year action plan (called “IDEA”) has been launched with a focus on creating a sustainable future of work that works for everyone.







Operational Highlights Q2 2023

Mount Milligan Mine Operating Highlights

- Gold and copper production for the quarter were impacted by mine sequencing and lower gold grades than planned when mining was occurring in an ore-waste transition zone, with this lower grade ore also impacting plant recoveries.
- Completed mining in ore-waste transition zone and mine plan remains on-track to access higher gold and copper grades in H2'23. Gold production is anticipated to be near the low end of guidance in the range of 160,000 to 170,000 ounces, with copper production currently tracking towards mid-point of guidance within the range of 60-70M pounds.

- Q2'23 gold production costs of $1,255 per ounce; full-year gold production costs expected to be within range of $1,000 to $1,050 per ounce.
- Q2'23 AISC on a by-product basis(1) of $1,599 per ounce; full-year AISC on a by-product basis(1) expected to be within range of $1,125 to $1,175 per ounce.

- Optimization of the LOM plan continues, with the aim to improve overall gold and copper recoveries, increase throughput rates and decrease operating downtime.
- ~28,000 metres of diamond drilling planned for 2023 with the focus on resource expansion and brownfield exploration targets from zones on the western margin of the open pit.

Mount Milligan Operating Summary	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Total Material Mined (Tonnes 000s)	11,924	10,185	11,321	**12,939**
Ore Mined (Tonnes 000s)	5,294	4,578	3,869	**5,252**
Ore Processed (Tonnes 000s)	5,538	5,504	4,705	**5,595**
Cu Head Grade (%)	0.20%	0.19%	0.17%	**0.16%**
Cu Recovery (%)	82.4%	79.5%	78.8%	**76.1%**
Cu Produced (000 lbs)(2)	19,045	16,909	13,355	**13,787**
Au Head Grade (g/t Au)	0.47	0.47	0.34	**0.38**
Au Recovery (%)	66.2%	65.5%	65.5%	**62.3%**
Au Produced (oz)(2)	54,134	53,222	33,215	**41,119**

(1) Non-GAAP financial measures and ratios. "Non-GAAP and Other Financial Measures" section of the Company's Q2'23 MD&A (refer to pp. 34-38)
(2) The Mount Milligan Mine is subject to an arrangement with RGLD Gold AG and Royal Gold, Inc. (together, "Royal Gold") which entitles Royal Gold to purchase 35% and 18.75% of gold and copper produced, respectively, and requires Royal Gold to pay $435 per ounce of gold and 15% of the spot price per metric tonne of copper delivered ("Mount Milligan Streaming Arrangement

Öksüt Mine Operating Highlights

- Following the receipt of the updated EIA on May 31, 2023, crushing, stacking and ADR activities resumed on June 5, 2023 with gold production totaling 20,503 ounces in Q2'23.

- As at June 30, 2023, approximately 80,000 recoverable ounces of gold remain in stored gold-in-carbon inventory, with approximately 20,000 ounces of in ADR plant inventory, plus an additional approximately 200,000 recoverable ounces of gold in ore stockpiles and on the heap leach pad.

- Q2'23 gold production costs of $404 per ounce; full-year gold production costs expected to be within range of $450 to $500 per ounce.
- Q2'23 AISC on a by-product basis[(1)] of $1,143 per ounce; full-year AISC on by-product basis[(1)] expected to be within range of $650 to $700 per ounce.

- Full year production guidance is 180,000 to 190,000 ounces; 45% of the second half production in the Q3'23 and 55% in Q4'23.

Öksüt Operating Summary	Q3 2022	Q4 2022	**Q1 2023**	**Q2 2023**
Total Material Mined	--	--	--	**2,409**
Tonnes of Ore Mined (000s)	--	--	--	**76**
Tonnes of Ore Stacked (000s)	1,015	752	77	**263**
Heap Leach Grade (g/t)	1.96	1.90	2.66	**1.25**
Heap Leach Contained Ounces Stacked	63,834	45,820	6,582	**10,546**
Gold Produced (oz)	--	--	--	**20,503**

(1) Non-GAAP financial measures and ratios. "Non-GAAP and Other Financial Measures" section of the Company's Q2'23 MD&A (refer to pp. 34-38)



Financial Highlights Q2 2023

Financial Results

(in millions, except ounces and per share amounts)	Q2 2023	YTD
Revenues	**$184.5**	**$411.0**
Gold ounces sold	**48,155**	**87,145**
Total copper pounds sold (000s)	**12,831**	**28,162**
Cash provided by (used in) operating activities from continuing operations	**$33.4**	**$(66.4)**
Free cash flow (deficit)[(1)]	**$10.6**	**$(95.3)**
Net loss	**$(39.7)**	**$(113.1)**
Adjusted net loss[(1)]	**$(42.3)**	**$(95.1)**
Net loss per share[(2)], basic	**$(0.18)**	**$(0.52)**
Adjusted net loss per share[(1,2)], basic	**$(0.20)**	**$(0.44)**
Capital Expenditures[(1)] – Total	**$22.5**	**$27.4**
Gold production costs ($/oz)	**$1,066/oz**	**$1,085/oz**
All-in sustaining costs on a by-product basis[(1)] ($/oz)	**$1,711/oz**	**$1,564/oz**

(1) Non-GAAP financial measures and ratios. "Non-GAAP and Other Financial Measures" section of the Company's Q2'23 MD&A (refer to pp. 34-38).
(2) As at June 30, 2023, the Company had 217,536,452 common shares issued and outstanding.

Financial Highlights

- Q2’23 cash provided by operating activities and free cash flow [(1)] of $33.4M and $10.6M, respectively

- MBU in Q2’23, sold approximately 3.0 million pounds of molybdenum, generating revenue of $76.1 million with an average market price of $21.23 per pound and approximately $35M of the investment in working capital from Q1’23 was released in Q2’23.

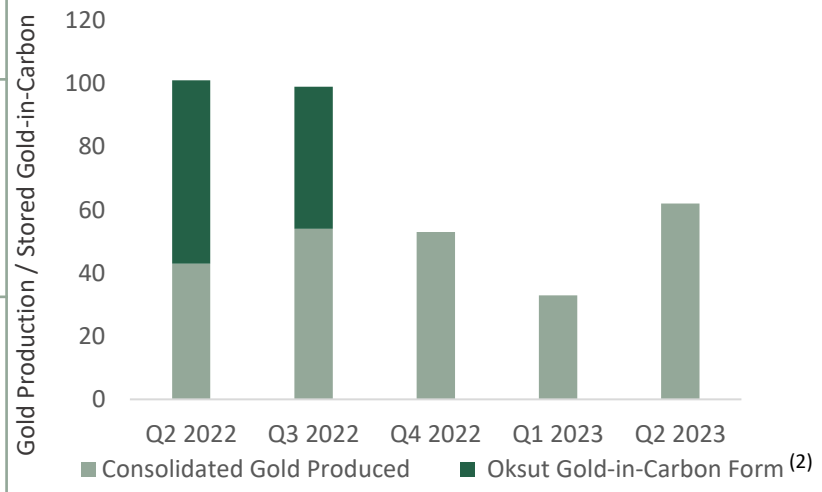
- At the Mount Milligan Mine, Q2’23 cash provided by mine operations and free cash flow[(1)] were $21.6M and $8.8M, respectively.
- At the Öksüt Mine, Q2’23 cash provided by mine operations and free cash flow were $7.7M and $0.4M respectively.

- To manage gold price risk during an anticipated short-term concentrated gold sales period in Türkiye, the Company purchased gold put option contracts for 75,000 ounces at an average strike price of $1,942 per ounce.

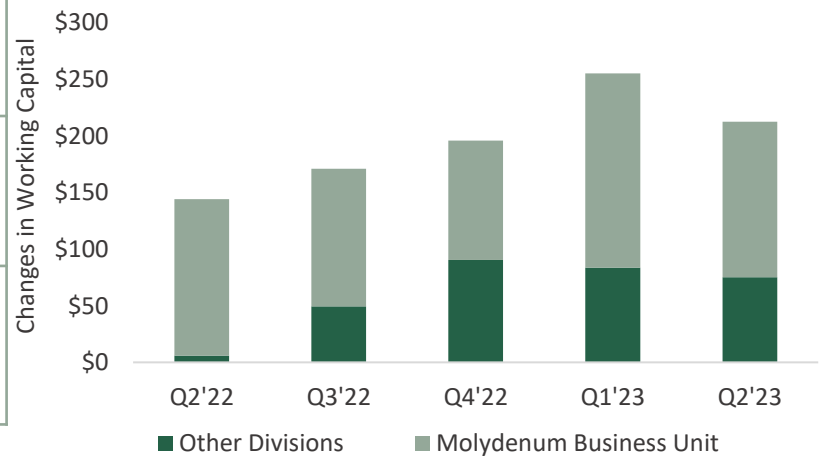
- Under the NCIB program, the Company repurchased and cancelled 1,271,900 common shares for the total consideration of $7.3 million (C$9.7 million) in Q2’23.

- Total liquidity of $799.9M, representing a cash balance of $401.8M and $398.1M available under a corporate credit facility as at June 30, 2023.
- Quarterly dividend of C$0.07 per common share declared in Q2’23.

Consolidated Gold Production (koz)



Changes in Working Capital QoQ ($M)



(1) Non-GAAP financial measures and ratios. “Non-GAAP and Other Financial Measures” section of the Company’s Q2’23 MD&A (refer to pp. 34-38)
(2) Represents a portion of the recoverable ounces in the ADR inventory at March 31, 2022 and additions to stored gold-in-carbon inventory in Q2’22 and Q3’22 that were ~58Koz and ~40-45Koz, respectively. Totals in bar chart are approximate, refer to the Company’s Q2’23 MD&A for more details.
(3) As at June 30, 2023. Total liquidity is calculated as ‘Cash and cash equivalents’ and amount available under the Corporate Credit Facility.



Q&A

centerra GOLD

Thank you
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