



The Future of Mining is Digital:

How Centerra Gold is improving their Enterprise Business Capabilities with SAP

Mining Conference Madrid

September 2022



centerra**GOLD**



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 “believe”, “expect”, “anticipate”, “contemplate”, “plan”, “intends”, “continue”, “budget”, “estimate”, “may”, “will”, “schedule”, “understand” and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things: statements regarding 2022 Outlook and 2022 Guidance, including production (including timing), grades and recoveries, gold-in-carbon inventory, costs, capital expenditures, depreciation, depletion and amortization (“DDA”) expenses, taxes and cash flow; expectations about the effects of inflation on the Company’s costs; inventory balances at the Molybdenum BU; expectations about the effects of inflation on the Company’s costs; inventory balances at the Molybdenum BU; and the assumptions used in preparing such guidance and Outlook, including those discussed under “2022 Material Assumptions”; completion of mercury abatement, containment and safety work in the gold room of the ADR plant at the Öksüt Mine, the restart of gold room operations, related regulatory approvals and the expected timing thereof; the ability of the Öksüt Mine to process all inventories of loaded gold in carbon in 2023; ongoing discussions with Turkish regulators with respect to the Öksüt Mine’s compliance with its environmental impact assessment (“EIA”) and permits; preparation and timing of a new EIA for the Öksüt Mine; progress on ordinary course permitting at the Öksüt Mine and the effect thereof on the ability to mine the Keltepe and Guneytepe pits; life of mine planning work for the Mount Milligan Mine, the effect of mark to market adjustments on Mount Milligan Mine’s costs; the expected benefits from the completion of the Global Arrangement Agreement with among others the Kyrgyz Republic and Kyrgyzaltyn JSC, including the termination of and releases from various legal claims and proceedings; expectations for ongoing activities at the Goldfield project, including drilling, permitting, community outreach, regulatory compliance and land management; possible impact to its operations relating to COVID-19; exploration drilling plans; the Company’s expectations of adequate liquidity and capital resources for 2022; plans to reduce working capital balance at the Molybdenum Business Unit; and expectations regarding contingent payments to be received from the sale of Greenstone Partnership.

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; risks of actions taken by the Kyrgyz Republic, or any of its instrumentalities, in connection with the Company’s prior ownership of the Kumtor Mine or the Global Arrangement Agreement; including unjustified civil or criminal action against the Company, its affiliates, or its current or former employees; the impact of constitutional changes or political events or elections in Türkiye; risks that Turkish regulators pursue aggressive enforcement of the Öksüt Mine’s current EIA and permits or its applications for new or amended EIA or permits; 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, flooding, wildfires, 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 including, but not limited to, the COVID-19 pandemic; seismic activity; 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 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; 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 September 15, 2022. 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.



Mauricio Hidalgo

*Director, I&T Planning & Governance
Centerra Gold Inc.*

17+ years in the gold and base metals mining industries leading global operational and technology transformation projects.

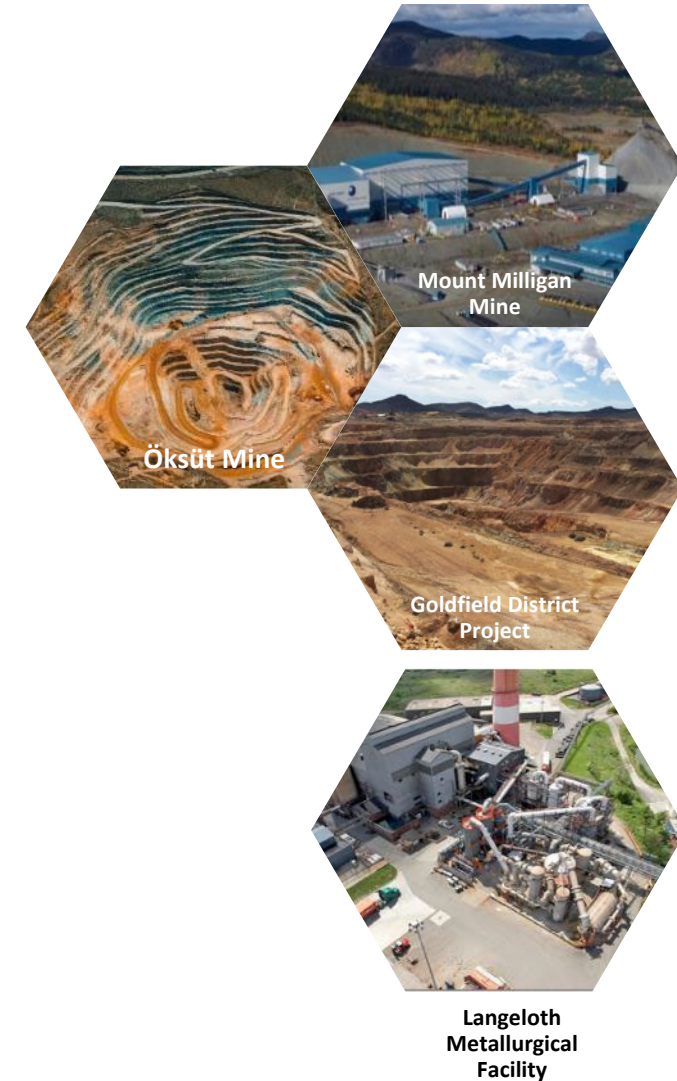


Olivier Van der Elst

*SAP Solution Architect, Mining
Illumiti Inc.*

*18+ years in Delivery of SAP Global Rollouts in Finance and Project Management
8+ Years in Mining Industry*

- Introductions
 - Centerra overview
 - Illumiti overview
- The case for change and desired business outcomes.
- EBC program overview and implementation roadmap.
- Experiences to date and implementation challenges.
- Measurement of benefits achieved.
- Q&A



Centerra Overview: Strong, Resilient, On-track.



Strong Balance Sheet

723 US\$ M in Cash[^]

Committed to Responsible Mining

on track to achieving conformance with the RGMPs before the end of 2022.

Increased dependency on renewable energy

At the MTM mine, with 69% of energy consumption coming from grid power sources.

Increased indigenous representation

Across our British Columbia operations to 18% in 2021^{^^}.

Committed to our workforce

Creation of a Global Inclusion, Diversity, Equity and Accessibility Strategy and action plan.

[^]Source: Corporate disclosures and financials reported in Q2'22 results.

The aggregate cash payments of approximately \$86 million associated with completing the Arrangement Agreement (a portion of which was withheld on account of Canadian withholding taxes payable by Kyrgyzaltyn) have not been incorporated into the cash balance of \$723M.

^{^^} 50% higher than the Canadian average

Illumiti Overview



- 200+ customers
- 250+ employees
- 35+ S/4 implementations
- 80M revenue



- 50th years anniversary
- 300+ customers (800 Total)
- 250+ employees SAP Centric (1400 total)
- 35+ S/4 implementations
- 370M total revenue

500+

SAP Customers

500+

SAP Focused Employees

70+

SAP S/4 Implementations

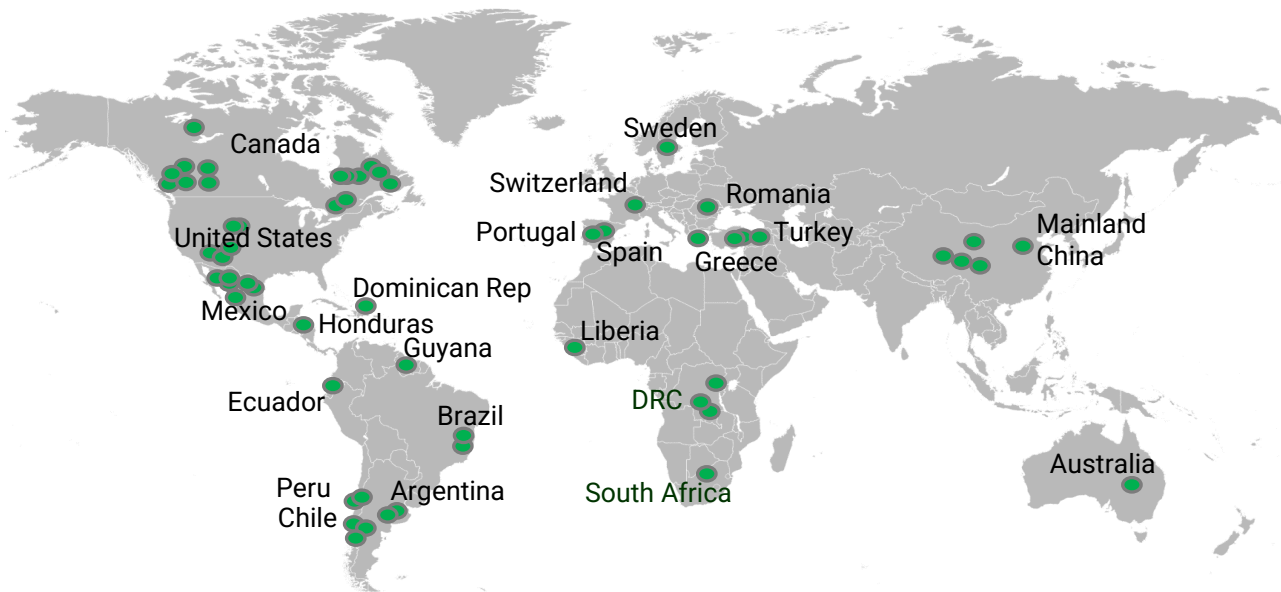
\$450M

2021 est. Revenue (CAD)

20+

Offices Worldwide

Illumiti Global Mining Implementations



20+
Countries

50+
Mining Customers

70+
Implementations



Case for Change: Background and Key Opportunities

Current ERP does not meet business needs

Since 2020 site management have not been satisfied with current software.

Holistic assessment performed

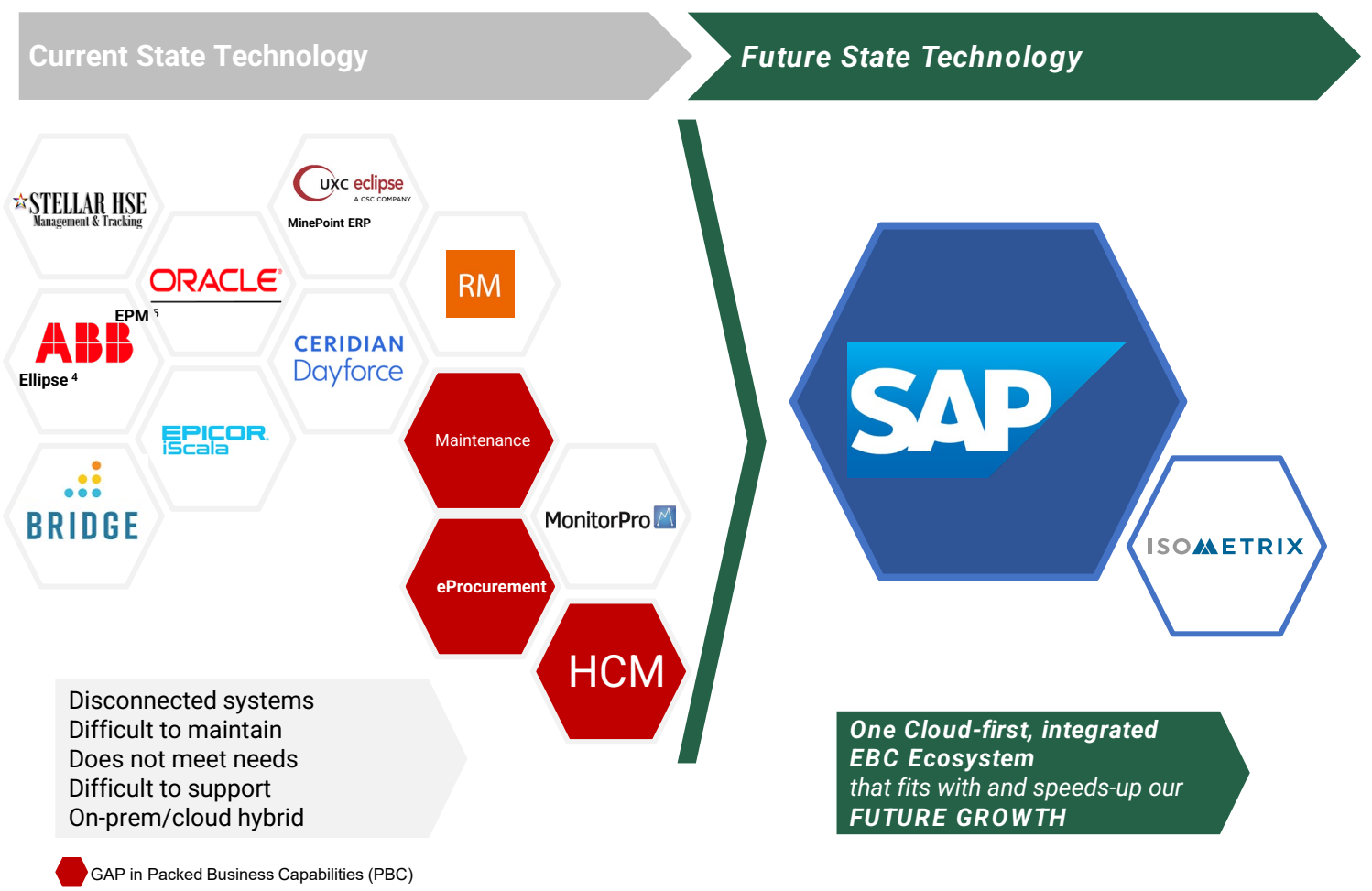
For each department (+130 stakeholders consulted) to ensure the most cost effective software was selected.

Bottom-up approach

(vs. historical push-down) has resulted in buy-in throughout the entire organization.

Full market scan of software products and strong business case

Multiple software products evaluated and the investment return proposition presented to management.



Case for Change: Desired Business Outcomes

Centerra
Strategic
Imperatives

Drive Growth

Identify, critically evaluate, and execute targeted growth opportunities (incl. JVs, mergers, greenfield exploration) to ensure the organization is best positioned for sustainable growth and value creation.

Optimize Existing Assets

Leverage our existing operations with consistent performance, focusing on activities that generate the most value.

Create a Great Place to Work

Attract, retain, and develop diverse skilled talent to effectively execute on our new strategy in a collaborative and inclusive environment.

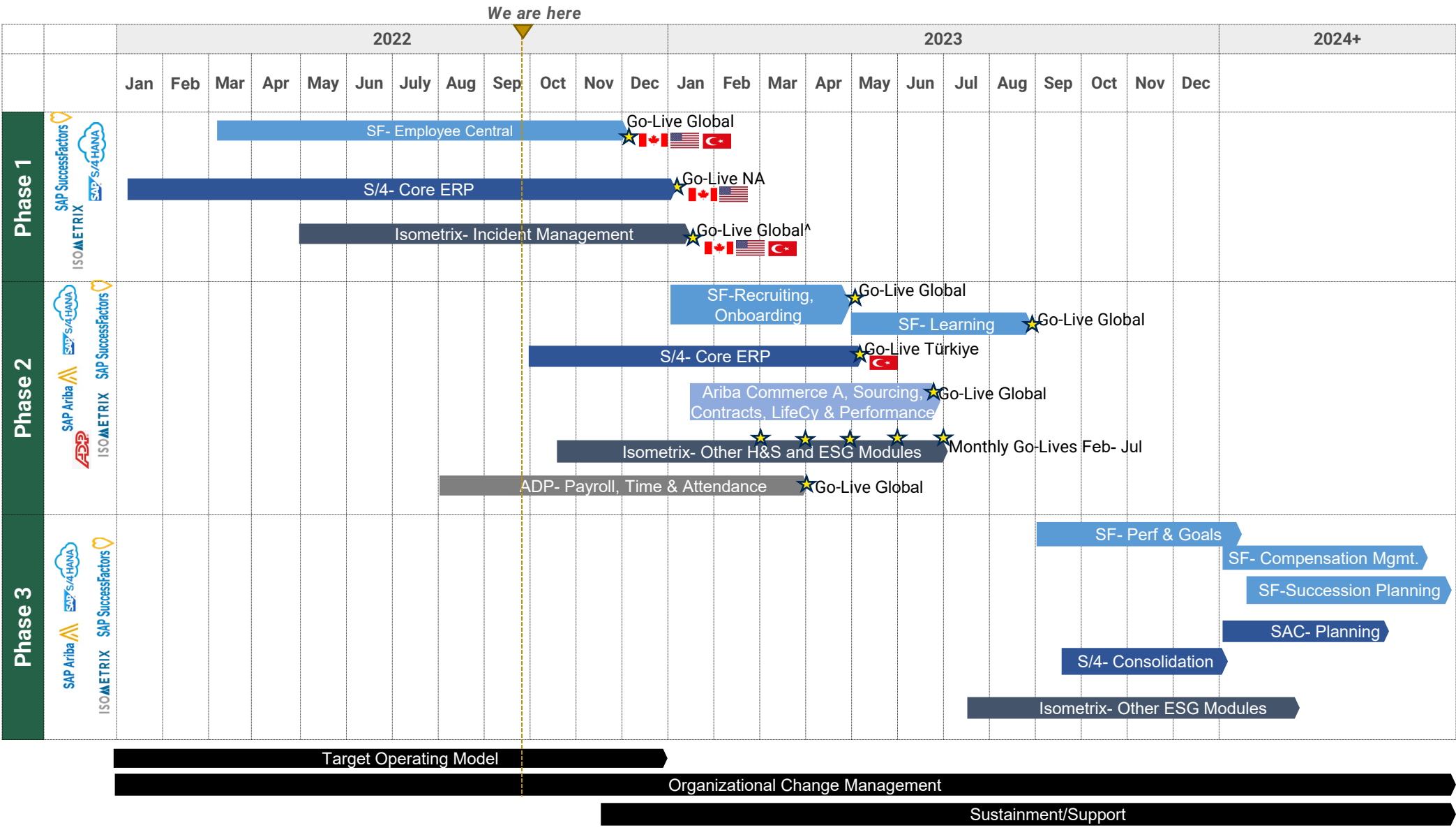
Improve ESG Performance

Maintain and enhance value for all our stakeholders by embedding ESG principles across the enterprise and throughout the mine life cycle, and by delivering on our targets.

Key Benefits

- ● ● ● **Integrated capabilities and processes** creating a **scalable platform** for **long-term growth**, including M&A – vs current systems.
- **Develop & implement governance approach** to strategy implementation (to address clarity, visibility & responsibility and ensure cross functional collaboration).
- ● **Global Human Capital Management system** driving global HR end-to-end processes like hire-to-retain; central employee database; data-driven decisions; operations optimization through CI, etc. *At one of our sites there's no HR system where everything is done manually.*
- ● **One-version of the truth** and risk-informed decision making.
- **Improved supply chain and inventory management** avoiding operational disruptions.
- **Enhanced legal and regulatory compliance** with stronger controls - vs current systems that don't accurately capture and enable regional reporting requirements. *At Oksut existing processes require manual workarounds to meet local legislation.*
- ● **Global, well-established systems support** in the marketplace – vs current ERP system.
- ● ● **Boosted employee morale** as it will provide automation of repetitive, non-value add tasks; electronic capabilities; streamlined workflows, transactions, reporting; and automatic processes running in the background (MRP, expediting, notifications, etc.)

EBC Program Overview and Roadmap



EBC Program Target Operating Model Pillars

Business Processes

- Follow best practices and mining template (e.g. standardized chart of accounts, cost center hierarchy, DOFA, 3-way match)
- Global Guiding Principles (e.g. drive for standardization instead of customization)

Project Governance

- Steering Committee, Business Councils, PMO, Delivery Team.
- Gatekeepers of the TOM/Global Template
- Clear RACI matrix.
- Risk Management Process.

Ongoing Support & Technology

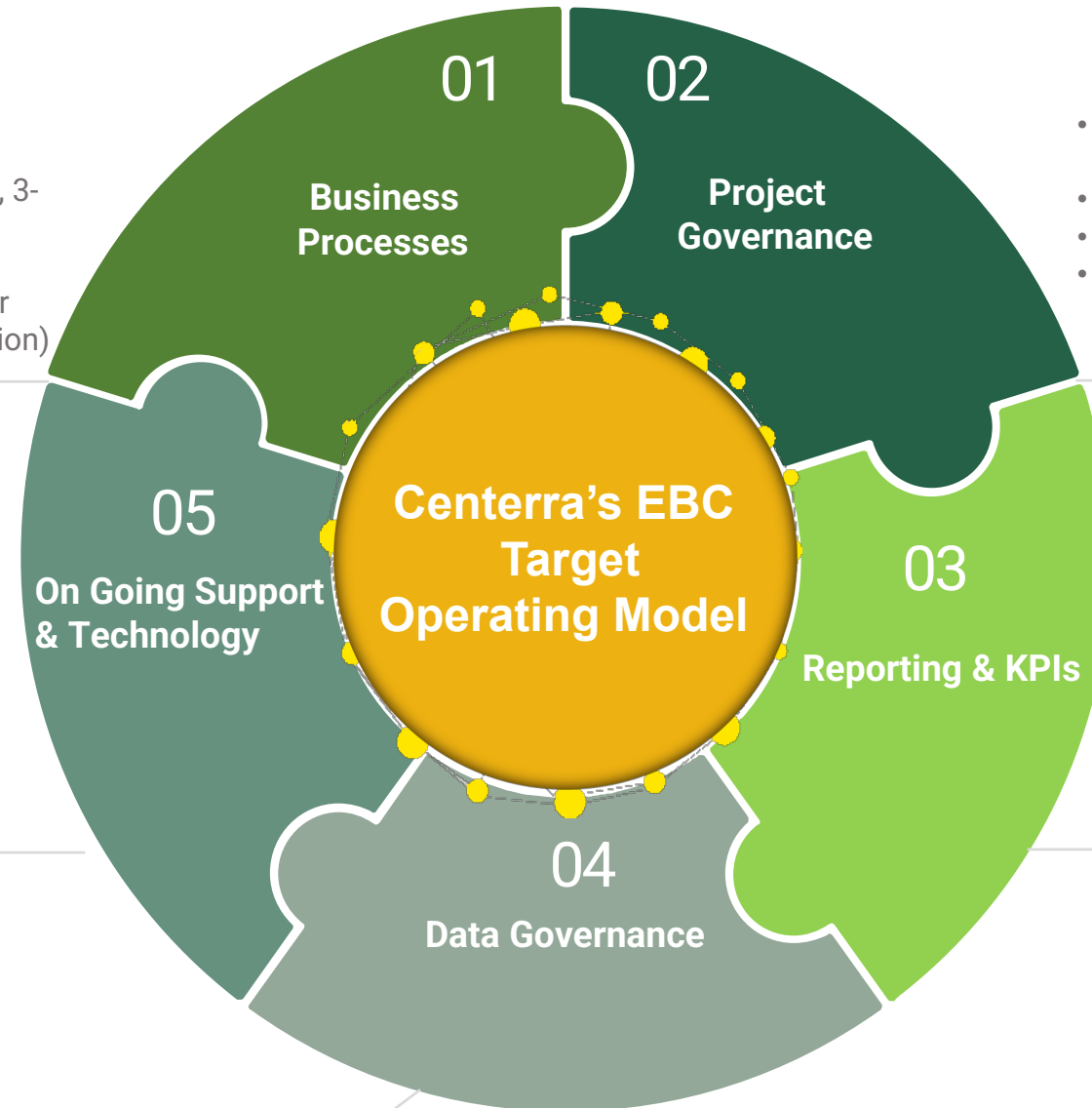
- Fit for purpose support model (AMS, COE, Hybrid)
- Cloud native applications and integration

Reporting and KPIs

- Inventory of reports
- Define Reporting Strategy
- KPIs and Success Metrics

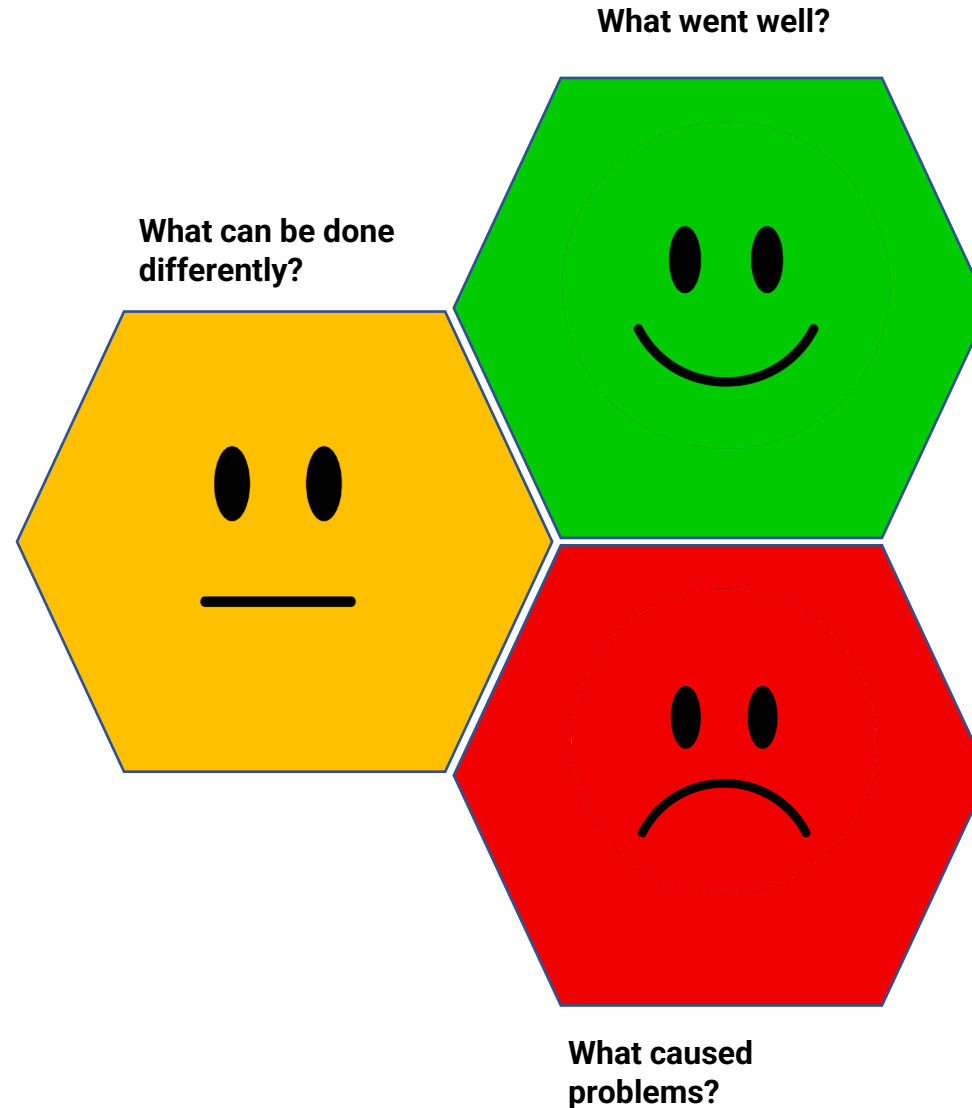
Data Governance

- Governance Tools and Processes
- Taxonomy and Naming Convention Standards
- Data Cleansing Guidelines



Experiences to date and Implementation Challenges

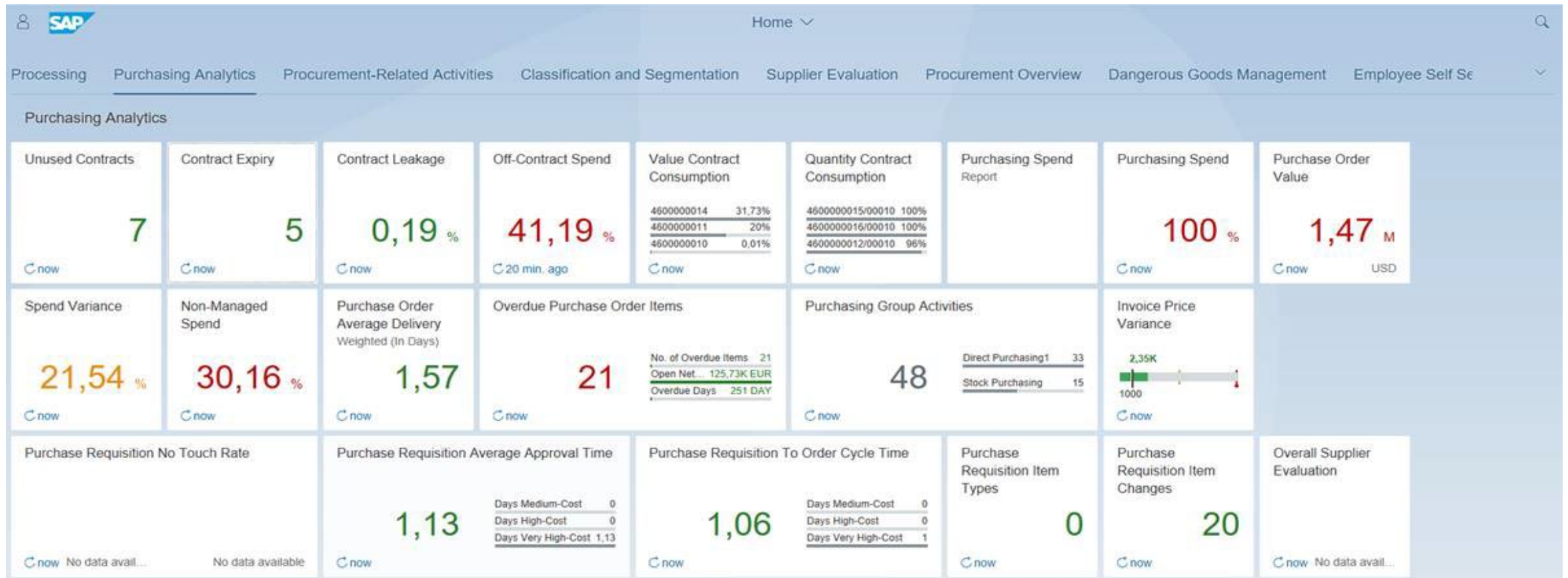
- ± Remote vs Onsite: Having everyone in the same room helped being more efficient with an Integrated mindset.
- ± Technical Architecture for each interface should have been done earlier in the Project.
- ± More automated testing should have been available.
- ± No predefined strategy/solution to manage sensitive information (PII).



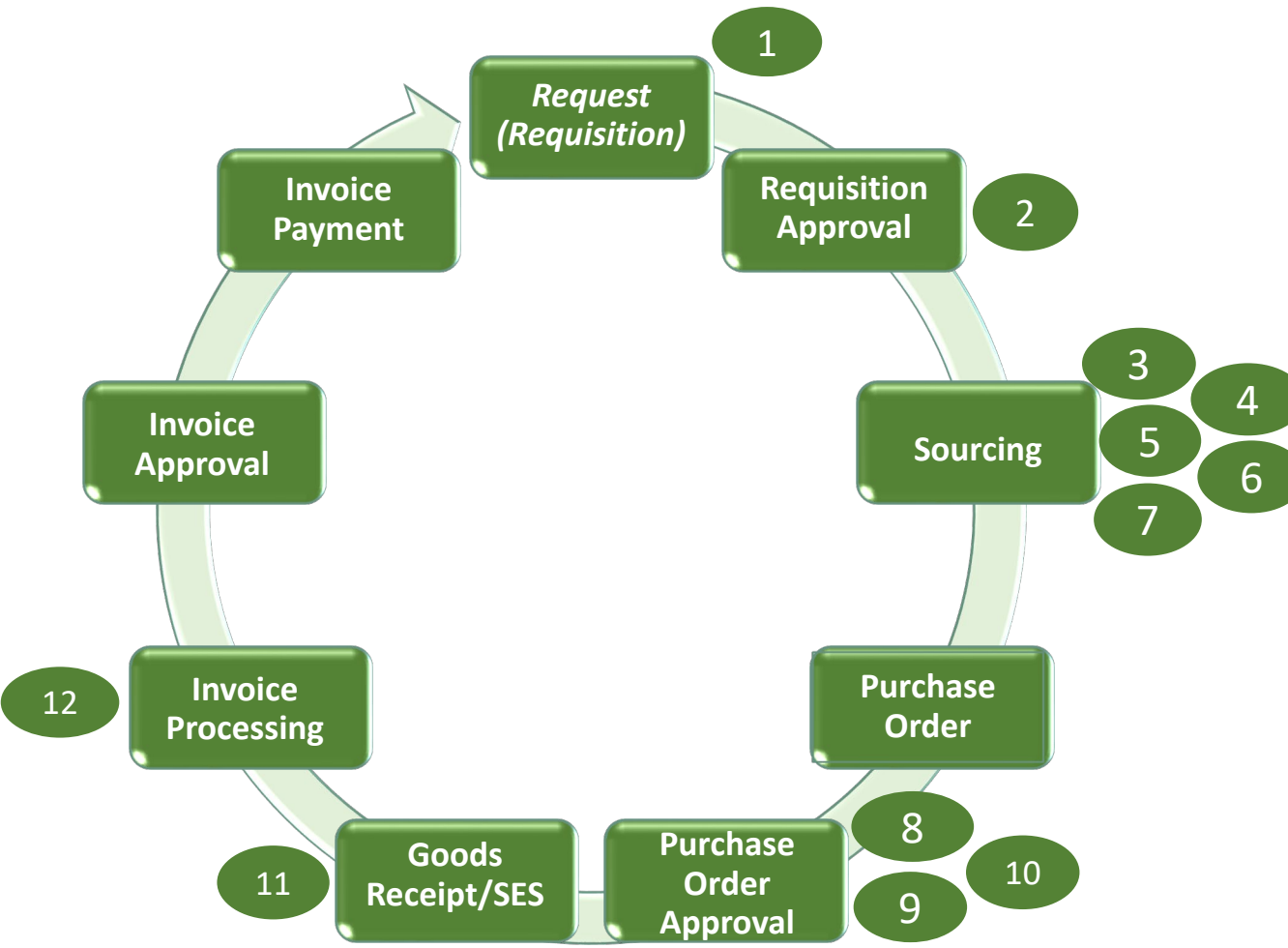
- + Great Sponsorship from Executive Team.
- + Bottom-up approach vs. push down.
- + Clear Governance Model and TOM.
- + Investing in Change Management.
- + Having a System Integrator that has implemented S/4 before (mining template).
- + Phased approach as opposed to Big Bang.
- Different methodologies between SuccessFactors and S4 project teams.
- Lack of some dedicated resources to the project.
- Business Processes where no templated solution existed.

Measurement of benefits achieved

Exception Based Analysis – Embedded KPIs



Procure to Pay Process Flow – KPI analysis



Throughout the whole procurement cycle, we identify and assign KPI's that will allow us to measure where we are not meeting the thresholds and having leakage or bottlenecks and understand the root causes to remediate

#	KPI
1	Purchase Requisition No-Touch Rate
2	Purchase Requisition Average Approval Time
3	Unused Contracts
4	Contract Expiry
5	Contract Leakage
6	Purchasing Spend
7	Off-Contract Spend
8	Purchase Requisition to Order Cycle Time
9	Purchase Order Value and Scheduling Agreement Value
10	Overdue Purchase Order Items
11	Purchase Order Average Delivery Time
12	Invoice Price Variance

Requisition Approval – Avg. Approval Time

You use this app to identify the time (in days) from PR creation to PO creation, over the time period from the previous year to date. It indicates the average approval time for low cost, medium cost, high cost and very high cost items respectively.

Industry Average	Centerra: GL *	Centerra: GL+6mths Target*
2.34 days	3.57 days	2.5 days

Purchase Requisition Average Approval Time

3.57

Days Medium-Cost 0.27

Days High-Cost 0.24

Days Very High-Cost 0.27

🔄 10 min. ago



*NOTE: Not actual data

Procure to Pay – Purchase Requisition Average Approval Time

Goal/Objective	Potential Problem	Root Cause	Preventive & Corrective Actions
<p>Minimize PR approval cycle time</p> <p>Improve overall purchasing efficiency and compliance</p> <p>Pinpoint approval issues for specific goods or services</p>	<p>1. PR line items takes too long to get approved by the respective managers</p>	<p>1. Approver availability, lack of mobility & productivity issues</p> <p>2. Insufficient information available for Approver</p> <p>3. High PR rejection rates due to errors or wrong materials / quantities / prices / sources</p> <p>4. Unclear or overcomplicated Release / Approval procedures</p>	<p>1. Educate the users and reinforce the value and business impact of timely approvals</p> <p>2. Ensure users are leveraging My Inbox to support mobile approval</p> <p>3. Leverage the 'Manage Purchase Requisitions' app to identify Preqs that haven't been Approved</p> <p>4. Review and redesign PR Approval matrix</p>

centerra**GOLD**



Questions

centerra**GOLD**



Thank you
Teşekkür ederim

University Avenue, Suite 1500
Toronto, ON
M5J 2P1

Tel: +1 (416) 204-1953
Fax: +1 (416) 204-1954
Email: info@centerragold.com