centerra GOLD

2005 Notice of Annual Meeting

and

Management Proxy Circular

Centerra Gold Inc.

TABLE OF CONTENTS

centerra GOLD

April 1, 2005

Dear Shareholder,

It is my pleasure to invite you to attend the annual meeting of Centerra's shareholders to be held on Tuesday, May 10, 2005 at 2:00 p.m. EST at the Esso Theatre, Hockey Hall of Fame, BCE Place, 30 Yonge St., Toronto, Ontario. It is an opportunity for the directors and management of Centerra to meet with you, our shareholders. At the meeting, we will report to you on Centerra's performance in 2004 and our plans for the future.

Included in this package are Centerra's 2004 annual report, notice of meeting, management proxy circular and a form of proxy. These materials describe the business to be dealt with at the meeting and provide you with additional information about Centerra and its directors and executive officers. Please exercise your rights as a shareholder either by attending the meeting in person or by completing the enclosed form of proxy and returning it, as soon as possible, in the envelope provided.

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

Sincerely,

(Signed) Patrick M. James

Patrick M. James
Chairman of the Board of Directors

1 University Avenue, Suite 1500, Toronto, Ontario M5J 2P1

MANAGEMENT PROXY CIRCULAR

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

Dear Shareholder:

The annual meeting of the shareholders of Centerra Gold Inc. will be held on Tuesday, May 10, 2005 at 2:00 p.m. EST at the Esso Theatre, Hockey Hall of Fame, BCE Place, 30 Yonge St., Toronto, Ontario M5E 1X8, in order to:

1. receive the 2004 audited financial statements;
2. elect directors; and
3. appoint auditors.

The board of directors of Centerra has fixed March 16, 2005 as the record date to determine which shareholders are entitled to receive notice of and to vote at the annual meeting.

A proxy, circular and a copy of the 2004 annual report, including the audited financial statements of the corporation for the year ended December 31, 2004 and related management's discussion and analysis, accompany this notice of annual meeting. You should refer to the management proxy circular for details of the matters to be considered at the annual meeting.

If you are unable to attend, please exercise your right to vote by completing and returning the accompanying form of proxy in the enclosed postage prepaid envelope as soon as possible. To be effective, properly completed proxies must be deposited with Centerra's transfer agent and registrar, CIBC Mellon Trust Company, 320 Bay Street, P.O. Box 1, Toronto, Ontario, M5H 4A6 no later than 9:30 a.m., May 9, 2005.

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) Frank H. Herbert

Frank H. Herbert,
Secretary

Toronto, Ontario,
April 1, 2005

centerra GOLD

MANAGEMENT PROXY CIRCULAR
DATED April 1, 2005

SOLICITATION OF PROXIES AND VOTING INSTRUCTIONS

The information contained in this management proxy circular is furnished in connection with the solicitation of proxies from registered owners of common shares of Centerra Gold Inc. (“Centerra” or the “Corporation”) (the “Shares”) (and of voting instructions in the case of non-registered owners of Shares) to be used at the annual meeting of shareholders of the Corporation to be held on May 10, 2005 at 2:00 p.m. at the Esso Theatre, Hockey Hall of Fame, BCE Place, 30 Yonge St., Toronto, Ontario, and at all adjournments of the meeting, for the purposes set forth in the accompanying notice of meeting. It is expected that the solicitation will be made primarily by mail, but proxies and voting instructions may also be solicited personally by employees of the Corporation. **The solicitation of proxies and voting instructions by this circular is being made by or on behalf of the management of the Corporation.** The total cost of the solicitation of proxies will be borne by the Corporation. The information contained in this circular is given as at March **[16]**, 2005, except where otherwise noted.

REGISTERED OWNERS

If you are a registered owner of Shares, you may vote in person at the meeting or you may appoint another person to represent you as proxyholder and vote your Shares at the meeting. If you wish to attend the meeting, do not complete or return the enclosed form of proxy because you will vote in person at the meeting. Please register with the transfer agent, CIBC Mellon Trust Company (“CIBC Mellon”), when you arrive at the meeting.

Appointment of Proxies

If you do not wish to attend the meeting, you should complete and return the enclosed form of proxy. The individuals named in the form of proxy are representatives of management of the Corporation and are Patrick M. James, Chairman of the Board of Directors, and Leonard A. Homeniuk, President and Chief Executive Officer of the Corporation. **You have the right to appoint someone else (either a person or a company) to represent you at the meeting.** If you wish to appoint someone else to represent you at the meeting, insert that other person’s or company’s name in the blank space in the form of proxy. The person or company you appoint to represent you at the meeting need not be a shareholder of the Corporation.

To be valid, proxies must be deposited with CIBC Mellon Trust Company (“CIBC Mellon”) at 320 Bay Street, P.O. Box 1, Toronto, Ontario M5H 4A6 not later 9:30 a.m., May 9, 2005 or, if the meeting is adjourned, 48 hours, (excluding Saturdays and holidays) before any adjourned meeting.

Revocation

If you have submitted a proxy and later wish to revoke it, you can do so by:

(a) completing and signing a form of proxy bearing a later date and depositing it with CIBC Mellon as described above;

(b) depositing a document that is signed by you (or by someone you have properly authorized to act on your behalf) (i) at the registered office of the Corporation at any time up to the last business day preceding the day of the meeting, or any adjournment of the meeting, at which the proxy is to be used, or (ii) with the chair of the meeting before the meeting starts on the day of the meeting or any adjournment of the meeting; or

(c) following any other procedure that is permitted by law.

Voting of Proxies

In connection with any ballot that may be called for, the management representatives designated in the enclosed form of proxy will vote or withhold from voting your shares in accordance with the instructions you have indicated on the proxy and, if you specify a choice with respect to any matter to be acted upon, the shares will be voted accordingly. **In the absence of any direction, your shares will be voted by the management representatives FOR the election of directors and FOR the appointment of the auditor as indicated under those headings in this circular.**

The management representatives designated in the enclosed form of proxy have discretionary authority with respect to amendments to matters identified in the notice of meeting and with respect to other matters that may properly come before the meeting. At the date of this circular, management of the Corporation knows of no such amendments or other matters.

NON-REGISTERED OWNERS

If your Shares are registered in the name of a depository (such as The Canadian Depository for Securities Limited) or an intermediary (such as a bank, trust company, securities dealer or broker, or trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan), you are a non-registered owner.

Only registered owners of Shares, or the persons they appoint as their proxies, are permitted to attend and vote at the meeting. If you are a non-registered owner, you are entitled to direct how the Shares beneficially owned by you are to be voted or you may obtain a form of legal proxy that will entitle you to attend and vote at the meeting.

In accordance with the *Canada Business Corporations Act* and Canadian securities law, the Corporation has distributed copies of the notice of meeting, this management proxy circular and the 2004 annual report (collectively, the "meeting materials") to the intermediaries for onward distribution to non-registered owners who have not waived their right to receive them. Typically, intermediaries will use a service company (such as ADP Investor Communications) to forward the meeting materials to non-registered owners.

If you are a non-registered owner and have not waived your right to receive meeting materials, you will receive either a request for voting instructions or a form of proxy with your meeting materials. The purpose of these documents is to permit you to direct the voting of the shares you beneficially own. You should follow the procedures set out below, depending on which type of document you receive.

A. *Request for Voting Instructions.*

If you do not wish to attend the meeting (or have another person attend and vote on your behalf), you should complete, sign and return the enclosed request for voting instructions in accordance with the directions provided. You may revoke your voting instructions at any time by written notice to your intermediary, except that the intermediary is not required to honour the revocation unless it is received at least seven days before the meeting.

If you wish to attend the meeting and vote in person (or have another person attend and vote on your behalf), you must complete, sign and return the enclosed request for voting instructions in accordance with the directions provided and a form of proxy will be sent to you giving you (or the other person) the right to attend and vote at the meeting. You (or the other person) must register with the transfer agent, CIBC Mellon, when you arrive at the meeting.

or

B. *Form of Proxy.*

The form of proxy has been signed by the intermediary (typically by a facsimile, stamped signature) and completed to indicate the number of Shares beneficially owned by you. Otherwise, the form of proxy is uncompleted.

If you do not wish to attend the meeting, you should complete the form of proxy in accordance with the instructions set out in the section titled "Registered Owners" above.

If you wish to attend the meeting, you must strike out the names of the persons named in the proxy and insert your name in the blank space provided. To be valid, proxies must be deposited with CIBC Mellon at 320 Bay Street, P.O. Box 1, Toronto, Ontario M5H 4A6 not later than the close of 9:30 a.m., May 9, 2005 or, if the meeting is adjourned, 48 hours, (excluding Saturdays and holidays) before any adjourned meeting. You must register with the transfer agent, CIBC Mellon, when you arrive at the meeting.

You should follow the instructions on the document that you have received and contact your intermediary promptly if you need assistance.

VOTING SHARES AND RESTRICTED SECURITIES

On March 16, 2005, the Corporation had outstanding 72,079,605 Shares. Each holder of Shares of record at the close of business on March 16, 2005, the record date established for notice of the meeting and for voting, will be entitled to vote on all matters proposed to come before the meeting on the basis of one vote for each Share held.

PRINCIPAL HOLDERS OF VOTING SECURITIES

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

Name	Number and Class of Securities	Percentage of Class
Cameco Gold Inc.	37,972,824 Common Shares	52.7
Kyrgyzaltyn JSC	11,289,717 Common Shares	15.7

Cameco Gold Inc. ("Cameco Gold") is a corporation incorporated under the laws of Canada and a wholly-owned subsidiary of Cameco Corporation ("Cameco"), a corporation incorporated under the laws of Canada. Cameco is the world's largest uranium supplier and its shares trade on the Toronto and New York stock exchanges. Prior to June, 2004 Centerra was a wholly-owned subsidiary of Cameco Gold.

Kyrgyzaltyn JSC ("Kyrgyzaltyn") is a joint stock company formed under the laws of the Kyrgyz Republic 100% of whose shares are owned by the Government of the Kyrgyz Republic. Prior to June, 2004, Kyrgyzaltyn owned a two-thirds interest in the Kumtor mine, a mine located in the Kyrgyz Republic, and now one of Centerra's major wholly-owned assets. Kyrgyzaltyn transferred its interest in the Kumtor mine to us in June, 2004 in exchange for common shares of Centerra (the "Kumtor restructuring").

In connection with the Kumtor restructuring, Centerra entered into a shareholders agreement with Cameco Gold, Kumtor Mountain Corporation (a subsidiary of Cameco Gold) and Kyrgyzaltyn (the "Shareholders Agreement").

The Shareholders Agreement provides that until June, 2009, for so long as Kyrgyzaltyn is controlled by the Government of the Kyrgyz Republic, Kyrgyzaltyn will maintain ownership of at least 5% of the outstanding common shares of Centerra at the time of the closing of the Kumtor restructuring. So long as Kyrgyzaltyn continues to hold more than 5% of Centerra's outstanding common shares, Cameco Gold will vote its common shares to approve the election or appointment of one nominee designated by Kyrgyzaltyn to Centerra's Board of Directors and will include in Centerra's proposed slate of directors nominated for election at each annual or special meeting one Board nominee designated by Kyrgyzaltyn.

So long as Cameco Gold holds more than 5% of Centerra's outstanding common shares, Kyrgyzaltyn will vote its common shares to approve the election or appointment of that number of nominees designated by Cameco Gold to Centerra's Board of Directors as is proportionate to Cameco Gold's shareholdings.

Centerra also entered into a separate agreement with Kyrgyzaltyn confirming that following the Kumtor restructuring it would use commercially reasonable efforts to have at least one representative of Kyrgyzaltyn elected as Chairman of the Board of Directors of the Centerra subsidiary Kumtor Gold Company (“KGC”), as well as a member of the KGC Management Committee and a member of the KGC Auditing Committee. KGC directly owns the Kumtor mine.

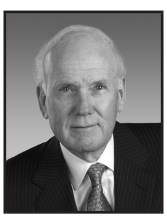
ELECTION OF DIRECTORS

The number of directors to be elected at the meeting is nine (9). The management representatives designated in the enclosed form of proxy intend to vote **FOR** the election as directors of the proposed nominees whose names are set out below. All nominees are now directors and have been directors since the dates indicated below. Management does not contemplate that any of the proposed nominees will be unable to serve as a director but, if that should occur for any reason before the meeting, the management representatives designated in the enclosed form of proxy reserve the right to vote for another nominee at their discretion. Each director elected will hold office until the next annual meeting or until his successor is elected or appointed.

Ian Austin
Vancouver, British Columbia, Canada
Director Since: April 30, 2004
Common Shareholdings: 0
Deferred Share Units (DSUs): 1,540

Ian Austin, Director, currently serves as President and Chief Executive Officer of Skye Resources Inc., an early stage mineral exploration company. He has extensive experience in the mining industry and financial management. From 1989 to 2001, Mr. Austin worked for Placer Dome Inc., serving first as Senior Vice President and Chief Financial Officer and then as Executive Vice President, Strategic Development from 1997 to 2001. Prior to joining Placer Dome, Mr. Austin spent 15 years with Inco Limited, when he served as Treasurer from 1981 to 1989. Mr. Austin holds a B.A. and a M.A. in Economics from Cambridge University.

Mr. Austin is Chair of the Audit Committee and a member of the Nominating and Corporate Governance Committee and the Human Resources and Compensation Committee.



John S. Auston
Vancouver, British Columbia, Canada
Director Since: April 30, 2004
Common Shareholdings: 640
DSUs: 1,540

John S. Auston, Director, is a graduate of McGill University, with degrees in Geology and Mineral Exploration, and attended the Program for Management Development at Harvard University. During a career of over 40 years in the minerals industry he has been active in the exploration for and development and operation of base metal, precious metal, uranium and coal mines in Canada, Australia and the United States. Most of this work was with the Selection Trust Group of London, which in 1981 became the minerals arm of British Petroleum. He was President and CEO of Ashton Mining of Canada from 1996 to 2000 and was President and CEO of Granges, Inc. from 1993 to 1995.

Mr. Auston is currently a director of Cameco, Eldorado Gold Corporation and GGL Diamond Corp.

Mr. Auston is a member of the Audit Committee and Chair of the Reserves Committee.

Gerald W. Grandey
Saskatoon, Saskatchewan, Canada
Director Since: December 11, 2002
Common Shareholdings: 6,000

Gerald W. Grandey, Director, has served as President and Chief Executive Officer of Cameco since 2003 and has more than 30 years of experience in the mining industry. Mr. Grandey has been with Cameco since 1993, previously serving as Senior Vice President of Marketing and Corporate Development, Executive Vice President and President. Prior to joining Cameco, Mr. Grandey was Vice-Chair and Chief Executive Officer of The Concord Mining Business Unit and prior to that served as President of Energy Fuels, an American coal and uranium mining company. In the mid 1970s, he spent several years practicing law with a major Denver law firm specializing in mineral financing and natural resources and environmental law. Mr. Grandey received a degree in geophysical engineering from the Colorado School of Mines in 1968 and a law degree from Northwestern University in 1973.

He currently serves on the boards of the Nuclear Energy Institute and the National Mining Association. He is currently a director of Cameco and Bruce Power.

Mr. Grandey is a member of the Nominating and Corporate Governance Committee.

Leonard A. Homeniuk
Toronto, Ontario, Canada
Director Since: December 11, 2002
Common Shareholdings: 252,447
Performance Share Units (PSUs): 25,806
Options: 84,599

Leonard A. Homeniuk, President, Chief Executive Officer and Director, has over 30 years of experience in the mineral sector including exploration, development and production. After assuming progressively more responsible positions with Cameco, he then managed Cameco's uranium exploration program and was involved in early work on the McArthur River high-grade uranium deposit, now the world's largest uranium mine. Mr. Homeniuk assumed the position of Chair and President of Kumtor Operating Company in 1992 and was responsible for the acquisition, feasibility and development of the Kumtor mine. Mr. Homeniuk served in this position, located in Bishkek, Kyrgyz Republic, until 1997 when he was promoted to Executive Vice President with Cameco Gold. In 1999 he became President of Cameco Gold and was responsible for acquiring an ownership interest in the Australian gold exploration company AGR Limited, which directly led to the development of the Boroo mine.

Mr. Homeniuk received a Bachelor of Science degree in Geological Engineering in 1970 and a Master of Science in 1972, both from the University of Manitoba. He is a member of the Ontario Society of Professional Engineers, Canadian Institute of Mining and Metallurgy and the Prospectors and Developers Association of Canada. Mr. Homeniuk was made an Honorary Professor of the Kyrgyz Mining Institute in 1998.

Patrick M. James
Castle Rock, Colorado, U.S.A.
Director Since: April 16, 2004
Common Shareholdings: 0
DSUs: 8,953

Patrick M. James, Chairman and Director, has more than 35 years experience in the mining industry. He served as President and Chief Executive Officer of Rio Algom Limited from 1997 to 2001. Prior to joining Rio Algom, Mr. James spent 18 years working for Santa Fe Pacific Gold Corporation, where he held various positions of increasing responsibility before being appointed Chairman, President and Chief Executive Officer in 1995. He holds a M.A. in Management from the University of New Mexico and a B.Sc. in Mining Engineering from the Colorado School of Mines.

He currently serves on the boards of Stillwater Mining Company, Dynatec Corporation and Constellation Copper Corporation.

Mr. James is a member of the Audit Committee and the Safety, Health and Environmental Committee and Chair of the Nominating and Corporate Governance Committee.

Ularbek Mateyev
Bishkek, Kyrgyz Republic
Director Since: October 5, 2004
Common Shareholdings: 0
DSUs: 12,213

Ularbek Mateyev, Director, is the president of Kyrgyzaltyn JSC which owns 16% of Centerra's shares. Previously, he was Vice Prime Minister of the Kyrgyz Republic. Mr. Mateyev had a distinguished career in education before turning to government service in 1990. He is a former senior professor and deputy dean of Frunze Polytechnic Institute in the Kyrgyz Republic. He served as Head of the Department of Social Matters, Press and State Administration; Head of the Department of Local Industry and Trade; and Head of the Department of the Mining Industry of the Kyrgyz government. In 1997 he became Chairman of the State Agency of Energy (Power). He graduated from the Moscow Energy Institute as an electrical/mechanical engineer in 1975.

Mr. Mateyev is a member of the Reserves Committee and the Safety, Health and Environmental Committee.

Terry Rogers
Saskatoon, Saskatchewan, Canada
Director Since: February 1, 2003
Common Shareholdings: 3,000

Terry Rogers, Director, has more than 25 years experience in coal, gold, lignite and uranium mining operations. Prior to being appointed Senior Vice President and Chief Operating Officer of Cameco in 2003, he served as President of Kumtor Operating Company in the Kyrgyz Republic. Prior to his association with Cameco, Mr. Rogers served with Morrison-Knudsen Company and its subsidiaries at a variety of operating sites worldwide and in the corporate headquarters in Boise, Idaho. His assignments included Managing Director, Technical for MIBRA GmbH in Leipzig, Germany, a company producing lignite from three open cast mines and generating electricity at three coal fired power stations. Mr. Rogers also served as President of the Jerooy Gold Company, worked for MK Gold Company in the Kyrgyz Republic and served as General Manager of American Girl Mining Joint Venture with MK Gold in Southern California. Other assignments with Morrison-Knudsen include operations management at several gold and coal mining projects in the United States. Mr. Rogers received an Associate Degree in Applied Science from the Superior Technical Institute in Wisconsin in 1972.

Mr. Rogers is a member of the Safety, Health and Environmental Committee.

Josef Spross
Saskatoon, Saskatchewan, Canada
Director Since: April 30, 2004
Common Shareholdings: 0
DSUs: 1,540

Josef Spross, Director, has extensive experience in mining and has played an important role in the development and operation of Cameco's uranium and gold properties. After managing the Key Lake Operation for 15 years, he was appointed Vice President of Uranium Mining in 1993. In 1995 he was appointed Vice-President of Mining and in May 1996, Mr. Spross assumed the position of Executive Vice President of Kumtor Operating Company in the Kyrgyz Republic and managed the successful transition of the project from development to production. After his return to Canada in April 1997, he was appointed as Cameco's Senior Vice President and Chief Operating Officer. Mr. Spross received a Master's Degree in mine engineering from Clausthal-Zellerfeld University in Germany and completed a three year post graduate studies program with the Ministry for Mining and Administration where he graduated as "Bergassessor".

At the end of 1999, Mr. Spross retired from Cameco and assumed the position of President and Past President of the Saskatchewan Mining Association in 2000. He currently serves on the boards of RSB Logistic Inc. and RSB Logistic Services Inc.

Mr. Spross is a member of the Human Resources and Compensation Committee and the Reserves Committee and Chair of the Safety, Health and Environmental Committee.

Anthony J. Webb
Victoria, British Columbia, Canada
Director Since: April 30, 2004
Common Shareholdings: 0
DSUs: 3,718

Anthony J. Webb, Director, has over 30 years of diverse experience in the mineral sector including, most recently, business development, strategic planning and minerals marketing. He served as Vice President, Corporate Development of Cameco from 1997 until his retirement in 2003. He originally joined the predecessor company to Cameco in 1982 and held positions of increasing responsibility including Assistant to the Chairman and CEO and Director, Corporate Development. Mr. Webb received a Bachelor of Science degree in 1968 and a Master of Science degree in 1970, both from McGill University. He received a Master of Business Administration degree from the University of Western Ontario in 1974.

Mr. Webb is Chair of the Human Resources and Compensation Committee and a member of the Nominating and Corporate Governance Committee.

To the best of the Corporation's knowledge, having made due inquiry, no director or executive officer of the Corporation is or has been in the last 10 years, a director or officer of another issuer that, while that person was acting in that capacity, (a) was the subject of a cease trade or similar order, or an order that denied the other issuer access to any exemptions under Canadian securities legislation for a period of more than 30 consecutive days, or (b) became bankrupt or made a bankruptcy or insolvency related proposal or was subject to or instituted proceedings, arrangements or compromises with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, except for the following: Mr. Austin, while serving as senior vice-president and chief financial officer of Placer Dome Inc., was, at the request of Placer Dome Inc., serving as a director of TemTechCo., Inc. (formerly Tempo Technology Corporation) when, in May of 1995, that company filed a petition in the United States Bankruptcy Court for the district of Delaware, seeking protection under Chapter 11 of the United States Bankruptcy Act, which petition was subsequently dismissed.

Committee Members

Audit Committee

Ian Austin (Chair)
John S. Auston
Patrick M. James

Nominating and Corporate Governance Committee

Patrick M. James (Chair)
Ian Austin
Gerald W. Grandey
Anthony J. Webb

Human Resources and Compensation Committee

Anthony J. Webb (Chair)
Ian Austin
Josef Spross

Safety, Health and Environmental Committee

Josef Spross (Chair)
Patrick M. James
Ularbek Mateyev
Terry Rogers

Reserves Committee

John S. Auston (Chair)
Josef Spross
Ularbek Mateyev

MEETING ATTENDANCE

Between Centerra's initial public offering on June 30, 2004 and December 31, 2004, the number of board and committee meetings held was as follows:

	Meetings
Board of Directors	3
Audit Committee	3
Nominating and Corporate Governance Committee	2
Human Resources and Compensation Committee	2
Safety, Health and Environmental Committee	2
Reserves Committee	2

Between Centerra's initial public offering and December 31, 2004, each of the directors attended all of the board meetings, except for one director, who was unable to attend one meeting. Each member of the board who served on one of the above-listed committees attended all of the respective committee meetings.

REPORT ON COMPENSATION OF EXECUTIVE OFFICERS

The following unrelated and independent directors served as members of the Human Resources and Compensation Committee (the "Committee") of Centerra during the fiscal year ended December 31, 2004.

Anthony J. Webb (Chair)
Ian Austin
Josef Spross

None of the members of the Committee is an officer or employee of the Corporation or any of its affiliates or is eligible to participate in the Corporation's executive compensation program.

Centerra's executive compensation program is comprised of the following components: base salary, bonus, a performance share unit plan and a share option and share appreciation rights plan. Centerra has also established a long-term incentive plan for non-North American employees that provides incentives similar to those under its performance share unit plan. Centerra does not have an executive pension plan. Centerra's program reflects market practice and was designed to provide compensation levels consistent with compensation levels and practices at peer group companies in the mining industry.

Together, the components of Centerra's compensation program are designed to:

- Attract, retain and motivate senior executives operating in a highly demanding and competitive business environment.
- Link executive compensation to corporate performance and the creation of shareholder value.
- Reward successful achievement of corporate and individual performance objectives.

Centerra's policy is to provide total executive compensation that is competitive with the median of marketplace compensation levels when performance meets individual and company targets and near the 75th percentile of marketplace levels when individual and company performance significantly exceeds pre-established targets.

Committee's Annual Review Process

The Committee annually reviews the recommendations of the Chief Executive Officer respecting the salary and executive cash bonus awards for Centerra executive officers, and respecting all performance share units and stock options awards, and makes recommendations to the Board.

In light of Centerra's initial public offering in 2004 and as a Canadian-based gold company with significant international operations, the Committee employed the services of an external executive compensation consulting firm to develop the Centerra executive compensation structure to ensure an appropriate mix and level of compensation that is competitive with appropriate comparator companies in the mining industry.

Centerra's Executive Compensation

The percentage mix of the elements of the executive compensation program varies and is based on the executive's level of responsibility. The elements are reviewed annually to ensure market competitiveness. When necessary, the corporation also participates in or sponsors specialized compensation surveys to ensure the program remains competitive.

Base Salary

Base salaries of the named executives are reviewed annually by the Committee, which makes recommendations to the Board. To the extent possible, comparisons are made with salaries for similar positions in the Canadian mining industry as reported by independent national compensation surveys.

Cash Bonus Plan

Centerra's cash bonus plan provides cash bonuses based on the achievement of individual and corporate targets. Employees designated by the Committee are eligible to participate in the plan. Individual performance factors and the weight given to each factor are determined for the President and Chief Executive Officer by the Committee, and for all other participants by the President and Chief Executive Officer, subject to confirmation by the Committee. Corporate performance factors are determined by the Committee in consultation with the President and Chief Executive Officer and are based equally on the following financial and operational targets: safety (employee and contractor lost time index), environmental (exceedances and reportables), cost per ounce, ounces produced and change in net asset value.

Centerra commits within its corporate guiding principles to being a leading performer among its peers. This includes a commitment to operate without compromise to the environment or safety. Consequently, these aspects of our activities are included as key corporate performance measures.

For 2004, the safety performance measure was based on accident frequency using the Lost Time Accident Frequency Index (LTAF). This allows Centerra to measure its performance against international industry best practices. (The LTAF is the number of accidents resulting in days lost from work per 200,000 hours worked.) The exceptional safety performance of Centerra's operations resulted in a LTAF that was a full order of magnitude better than the average for the mining industries in Saskatchewan and Ontario. Consequently, the safety performance target was achieved.

In 2004, Centerra's environmental performance target was achieved. Environmental performance is measured by Centerra's success in preventing spills that affect the environment. Centerra had only one notable spill in 2004, which had no significant environmental impact.

Centerra's 2004 corporate performance regarding cost per ounce, ounces produced and change in net asset value is set out in the following table:

2004 CORPORATE PERFORMANCE MEASURES

	Total Cost per Ounce	Production (total ounces)	Year end net asset value/prior year's value
Target Results	$217	819,000	100%
Actual Results	$211	903,030	121%

Performance Share Unit Plan

Centerra's performance share unit plan is a mid-term incentive plan that permits Centerra to grant performance share units to its employees or officers. The number of units awarded is based on a target percentage of the participant's base salary. The target percentage varies depending upon the participant's level of responsibility.

Performance share units represent the right to receive the cash equivalent of a common share or, at Centerra's election, a common share purchased on the market, on a deferred basis. Each performance share unit vests three years from December 31 of the calendar year in respect of which the performance share unit is granted, or such earlier date as determined by the Committee. The first performance share units were issued June 30, 2004, the date of the Corporation's initial public offering. The vesting period for those first units began June 30, 2004 and will end December 31, 2006.

The number of units that will vest may be higher or lower than the number of units credited to a participant. The table below sets out the formula for determining the number of units which will vest based on Centerra's performance relative to the S&P/TSX Capped Gold Index Total Return Investment Value ("TRIV") during the applicable period. The calculation is made by dividing Centerra's percentage share price change by the percentage change in the TRIV. The number of units that vest is determined by multiplying the number of units credited to the participant by the adjustment factor. Centerra's share price performance relative to the TSX Capped Gold Index TRIV in the period from June 30, 2004 to December 31, 2004 was greater than 150%.

Centerra Share Price Performance vs TSX Gold Capped Index TRIV	Adjustment Factor (PSU's that have been granted are adjusted by this factor)
>150%	1.50
>125	1.35
>110	1.20
>100	1.05
>95	.90
>90	.75
>85	.60
>75	.45
under 75	Payout subject to Board Discretion

In the event that dividends are paid on Centerra's common shares, additional performance share units will be credited to the participant's account. The number of additional units credited to a participant's account is determined by dividing the dollar amount of the dividends payable in respect of the performance share units allocated to the participant's account by the fair market value of Centerra common shares on the date credited.

The plan is administered by the Human Resources and Compensation Committee and performance share units are awarded at the Board's discretion.

Share Option and Share Appreciation Rights Plan

The purpose of Centerra's share option and share appreciation rights plan is to link executive performance with successful, sustained long-term company performance that adds shareholder value. All executives are required to hold an amount of common shares equivalent to a specified percentage of base salary. Centerra's share option and share appreciation rights plan allows executive employees and officers, through options, to acquire an ownership interest in Centerra Gold Inc. The Committee designates the recipients of options and the terms and conditions of each grant. Options are granted at prices no lower than the weighted average trading price of the common shares for the five trading days prior to the date of the grant. The number of options awarded is based on a target percentage of the base salary. The target percentage varies depending upon the executive's level of responsibility. The plan has been approved by the Corporation's shareholders.

Options may be granted with a related share appreciation right. In these circumstances, the holder may elect to surrender all or a portion of an option in exchange for cash equal to the fair market value of the common shares issuable on exercise of the surrendered option or portion thereof, less the exercise price and any applicable taxes.

Centerra may, in its sole discretion, require a holder who has exercised a share appreciation right to exercise the holder's options instead, or it may elect to satisfy the cash amount owing upon exercise of a share appreciation right in common shares.

Options granted under the plan are non-transferable, other than by will or the laws of descent and distribution. Options must be exercised no later than eight years after the date of the grant and are subject to a vesting schedule whereby options will become vested as to one-fifth on the first anniversary of the grant and one-fifth on each of the subsequent anniversaries of the grant.

A maximum of 6,000,000 common shares have been made available for issuance upon exercise of options granted under the plan, representing 8.32% of the Corporation's currently outstanding common shares. To date, no common shares in respect of vested options have been issued under the plan. The maximum number of shares that may be issued to any individual under the share option plan within a 12-month period will not exceed 5%, or 3,603,980, of the outstanding common shares. The following table summarizes aggregated information regarding the Corporation's outstanding options under the Share Option and Share Appreciation Rights Plan.

Number of shares to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of options remaining available for issuance
200,183	$16.78	5,799,817

The Committee may amend, suspend or terminate the plan at any time, subject to any required regulatory or shareholder approval. No amendment, suspension or termination may materially adversely affect any options or rights granted to a participant without the participant's consent. If the plan is terminated, its provisions will continue as long as options or rights remain outstanding. With the consent of the participant, the Committee may amend or modify any outstanding option to the extent it would have had authority to initially grant the option as so modified.

If a participant of the plan dies, options which have vested will be exercisable for a period of one year by the participant's legal representatives. Options not vested will expire. If a participant retires or becomes disabled, unvested options will continue to vest and vested options will continue to be exercisable for a period of three years from the date of retirement or disability. Options not vested in that time will expire. If a participant ceases to be eligible for the plan for any other reason, vested options may be exercised for a period of 90 days after the date the options would have become exercisable, after which unvested and unexercised options will expire.

2004 Corporate Performance and Chief Executive Officer Compensation

The Committee annually reviews the performance and the salary of the Chief Executive Officer and makes its recommendations to the board. The review includes a comparison to the salaries for similar positions and level of responsibility in the gold mining sector and the Canadian mining industry as reported from time to time by independent national surveys. The corporation's financial and operational performance, strategies employed to secure future gains for the corporation's shareholders, and overall leadership are other performance measures used by the Committee. The review is the basis upon which the Chief Executive Officer's compensation is determined.

In terms of corporate performance, Centerra, under the leadership of its Chief Executive Officer achieved outstanding financial performance during 2004 and made significant progress toward becoming a leading international gold mining company. 2004 saw Centerra complete a very successful IPO, the largest gold IPO on the TSX since 1994; achieve record production; provide outstanding shareholder return and make significant progress towards all its strategic objectives.

Cash flow from operations increased significantly, generating $88.5 million in cash from operations. Total production was a record at 903,030 ounces of gold, while all operations maintained an excellent safety and environmental record. Kumtor surpassed the production milestone of 5 million ounces produced, the Boroo mine commenced production with above design capacity levels and the mine lives at each mine were extended by one year due to increased reserves.

At IPO Centerra's share price was $15.50 and closed the year at $22.25, a 43.5% increase. This performance significantly exceeded the benchmark S&P/TSX Capped Gold Index TRIV which increased 4.5% during the same period.

Centerra remains a leader in employing nationals. Its operations in Kyrgyzstan and Mongolia employ training and recruitment practices which has resulted in more than 90% of the work force being national employees and Centerra continues to make progress on its strategy to reduce the number of expatriates employed.

In light of Centerra's successful IPO, exceptional share price performance relative to the S&P/TSX Capped Gold Index TRIV, the exceeding of pre-established individual and corporate performance targets and the progress made toward achieving strategic objectives, bonuses, PSUs and stock options were awarded to the CEO and other senior executives of Centerra.

The tables and related narrative below present information about compensation of the Corporation's "Named Executive Officers" (determined in accordance with applicable rules).

SUMMARY COMPENSATION TABLE

		Annual Compensation			Long-Term Compensation Awards		
Name and Principal Position	**Year**	**Salary ($)**	**Bonus ($)(1)**	**Other Annual Compensation ($)(2)**	**Securities Under Options/ SARs Granted (#)**	**Shares or Units Subject to Resale Restrictions ($)(3)**	**All Other Compensation ($)**
Leonard Homeniuk, President and CEO(4)	2004	369,665	311,654	5,013.72	47,790	3,131,821.50(5)	—
David Petroff, Executive Vice-President and CFO(6)	2004	319,667	221,741	—	29,122	243,753.00(7)	—
George Burns, Vice President and Chief Operating Officer(8)	2004	258,867	165,729	—	20,535	171,879.50(9)	—
Robert S. Chapman, Vice-President of Exploration(10)	2004	146,823	52,900	—	6,720	56,249.50(11)	—

(1) Amounts shown were earned in relation to the financial year indicated (2004) and paid in the subsequent year.

(2) Perquisites and other personal benefits, securities or property do not exceed $50,000 or 10 per cent of the total of the annual salary and bonus for any of the named executive officers and as a result are not included in the amounts shown. For Mr. Homeniuk, the amount in this column represents the imputed interest benefits computed in accordance with the *Income Tax Act* for a company housing loan.

(3) Dollar amounts are calculated based on numbers of performance share units held multiplied by the share price on the date of grant. For information on the performance share unit plan, including details regarding dividends and vesting, please refer to page 12 of this circular.

(4) Mr. Homeniuk was under contract with Centerra beginning May 1, 2004, before which he worked for Cameco Gold. In 2004, he received in the aggregate compensation of $369,664.64 from Cameco Gold and Centerra, $102,984.64 of which was paid by Cameco Gold. For more information on Mr. Homeniuk's current compensation arrangements, please see a description of his employment contract at page 17 of this circular. Mr. Homeniuk also received 176,247 common shares from Cameco Gold at the closing of Centerra's initial public offering. This value is reported in the column entitled "Shares or Units Subject to Resale Restrictions."

(5) The amount is comprised of 25,806 performance share units awarded to Mr. Homeniuk at the closing of Centerra's initial public offering and 176,247 common shares awarded to Mr. Homeniuk by Cameco Gold on the same date based on a price of $15.50 per share. The common shares may not be sold by Mr. Homeniuk until June, 2006. The value of Mr. Homeniuk's performance share units based on the closing price of Centerra's common shares on December 31, 2004, was $574,183.50. The number of units that will vest may be higher or lower than the number of units awarded to Mr. Homeniuk based on Centerra's stock price performance relative to the S&P/TSX Capped Gold Index TRIV. For information on the performance share unit plan, please refer to page 12 of this circular.

(6) Mr. Petroff was under contract with Centerra beginning May 1, 2004, before which he worked for Cameco. In 2004, he received in the aggregate compensation of $319,666.67 from Cameco and Centerra, $143,625 of which was paid by Cameco. For more information on Mr. Petroff's current compensation arrangements, please see a description of his employment contract at page 17 of this circular.

(7) This figure represents 15,726 performance share units awarded to Mr. Petroff at the closing of Centerra's initial public offering, calculated at a price of $15.50 per share. The value of Mr. Petroff's performance share units based on the closing price of Centerra's common shares on December 31, 2004, was $349,903.50. The number of units that will vest may be higher or lower than the number of

units awarded to Mr. Petroff based on Centerra's stock price performance relative to the S&P/TSX Capped Gold Index TRIV. For information on the performance share unit plan, please refer to page 12 of this circular.

(8) Mr. Burns was under contract with Centerra beginning May 1, 2004, before which he worked for Cameco Gold. In 2004, he received in the aggregate compensation of $258,866.68 from Cameco Gold and Centerra, $75,533.36 of which was paid by Cameco Gold. For more information on Mr. Burns's current compensation arrangements, please see a description of his employment contract at page 18 of this circular.

(9) This figure represents 11,089 performance share units awarded to Mr. Burns at the closing of Centerra's initial public offering, calculated at a price of $15.50 per share. The value of Mr. Burns's performance share units based on the closing price of Centerra's common shares on December 31, 2004, was $246,730.25. The number of units that will vest may be higher or lower than the number of units awarded to Mr. Burns based on Centerra's stock price performance relative to the S&P/TSX Capped Gold Index TRIV. For information on the performance share unit plan, please refer to page 12 of this circular.

(10) Mr. Chapman was under contract with Centerra beginning May 1, 2004, before which he worked for Cameco Gold. In 2004, he received in the aggregate compensation of $146,823.36 from Cameco Gold and Centerra, $46,823.36 of which was paid by Cameco Gold. For more information on Mr. Chapman's current compensation arrangements, please see a description of his employment contract at page 18 of this circular.

(11) This figure represents 3,629 performance share units awarded to Mr. Chapman at the closing of Centerra's initial public offering, calculated at a price of $15.50 per share. The value of Mr. Chapman's performance share units based on the closing price of Centerra's common shares on December 31, 2004, was $80,745.25. The number of units that will vest may be higher or lower than the number of units awarded to Mr. Chapman based on Centerra's stock price performance relative to the S&P/TSX Capped Gold Index TRIV. For information on the performance share unit plan, please refer to page 12 of this circular.

OPTION/SAR GRANTS DURING THE MOST RECENTLY COMPLETED FINANCIAL YEAR

Name	Securities Under Options Granted (#)	% of Total Options Granted to Employees in Financial Year	Exercise or Base Price ($/Security)	Market Value of Securities Underlying Options on the Date of Grant ($/Security)	Expiration Date
Leonard Homeniuk, President and CEO	47,790	44.44	15.50	15.50	June 29, 2012
David Petroff, Executive Vice-President and CFO	29,122	27.08	15.50	15.50	June 29, 2012
George Burns, Vice President and Chief Operating Officer	20,535	19.09	15.50	15.50	June 29, 2012
Robert S. Chapman, Vice-President of Exploration	6,720	6.25	15.50	15.50	June 29, 2012

AGGREGATED OPTION/SAR EXERCISES DURING THE MOST RECENTLY COMPLETED FINANCIAL YEAR AND FINANCIAL YEAR-END OPTION VALUES

Name	Securities Acquired on Exercise (#)	Aggregate Value Realized ($)	Unexercised Options/SARs at December 31, 2004 (#) Exercisable/ Unexercisable	Value of Unexercised in-the-Money Options/SARs at December 31, 2004 ($) Exercisable/ Unexercisable
Leonard Homeniuk, President and CEO	Nil	Nil	—/47,790	—/322,582.50
David Petroff, Executive Vice-President and CFO	Nil	Nil	—/29,122	—/196,573.50
George Burns, Vice President and Chief Operating Officer	Nil	Nil	—/20,535	—/138,611.25
Robert S. Chapman, Vice-President of Exploration	Nil	Nil	—/6,720	—/45,576

EMPLOYMENT CONTRACTS

Leonard A. Homeniuk

Centerra has entered into an employment agreement with Mr. Leonard A. Homeniuk, the terms of which are substantially as follows. Mr. Homeniuk is Centerra's President and Chief Executive Officer and is paid a base salary of C$400,000 per year. Mr. Homeniuk is also eligible for a target annual bonus of 50% of his salary and a maximum bonus of 100% of his salary under Centerra's Cash Bonus Plan. In addition, Mr. Homeniuk participates in Centerra's Performance Share Unit Plan and, upon the closing of Centerra's initial public offering in June, 2004, received an initial grant of 25,806 performance share units. Mr. Homeniuk also participates in Centerra's Share Option and Share Appreciation Rights Plan and in June, 2004, received an initial grant of 47,790 share options and share appreciation rights. If Mr. Homeniuk is terminated without just cause or resigns for good reason as defined in the employment agreement, he will be entitled to a lump sum payment equal to his base salary for the lesser of 36 months and the number of months to his 65th birthday, plus continuance of participation in the benefits plans for that period. Mr. Homeniuk is required to hold an amount of Centerra's common shares equivalent in value to two times his base salary, to be achieved within a five-year period.

In consideration for the efforts and contribution made by Mr. Homeniuk in relation to the Kumtor restructuring, in June, 2004, Cameco Gold transferred to Mr. Homeniuk 176,247 of Centerra's common shares. These common shares were transferred to Mr. Homeniuk in consideration for his past service provided to Cameco and Cameco Gold. Cameco Gold also made a payment to Mr. Homeniuk to offset 50% of the taxes payable by him in connection with his receipt of these common shares. Mr. Homeniuk has agreed that he will not transfer or assign these common shares for two years following this offering. If Centerra ceases to be controlled by Cameco Gold during this two-year period, Mr. Homeniuk has agreed to participate in the sale effecting this change of control and to sell a proportionate number of his common shares on the same terms and conditions as Cameco Gold.

David M. Petroff

Centerra has entered into an employment agreement with Mr. David M. Petroff, the terms of which are substantially as follows. Mr. Petroff is Centerra's Executive Vice President and Chief Financial Officer and is paid a base salary of C$325,000 per year. For an interim period, Mr. Petroff provided Chief Financial Officer services to both Cameco and Centerra Gold Inc. and his base salary was paid as to 50% by each company. Mr. Petroff is also eligible for a target annual bonus of 40% of his salary and a maximum bonus of 80% of his salary under Centerra's Cash Bonus Plan. In addition, Mr. Petroff participates in Centerra's Performance Share Unit Plan and, upon the closing of Centerra's initial public offering in June, 2004, received an initial grant of 15,726 performance share units. Mr. Petroff also participates in Centerra's Share Option and Share

Appreciation Rights Plan and, in June, 2004, received an initial grant of 29,122 share options and share appreciation rights. In addition to Mr. Petroff qualifying for benefits under Cameco's relocation policy, Cameco purchased Mr. Petroff's home in Saskatoon for approximately the amount he has invested and is providing other benefits over the first 15 months of his employment. If Mr. Petroff is terminated without just cause or resigns for good reason as defined in the employment agreement, he will be entitled to a lump sum payment equal to his base salary for the lesser of 36 months and the number of months to his 65th birthday, plus continuance of participation in the benefits plans for that period. Mr. Petroff is required to hold an amount of Centerra's common shares equivalent in value to 50% of his base salary, to be achieved within a five-year period.

George Burns

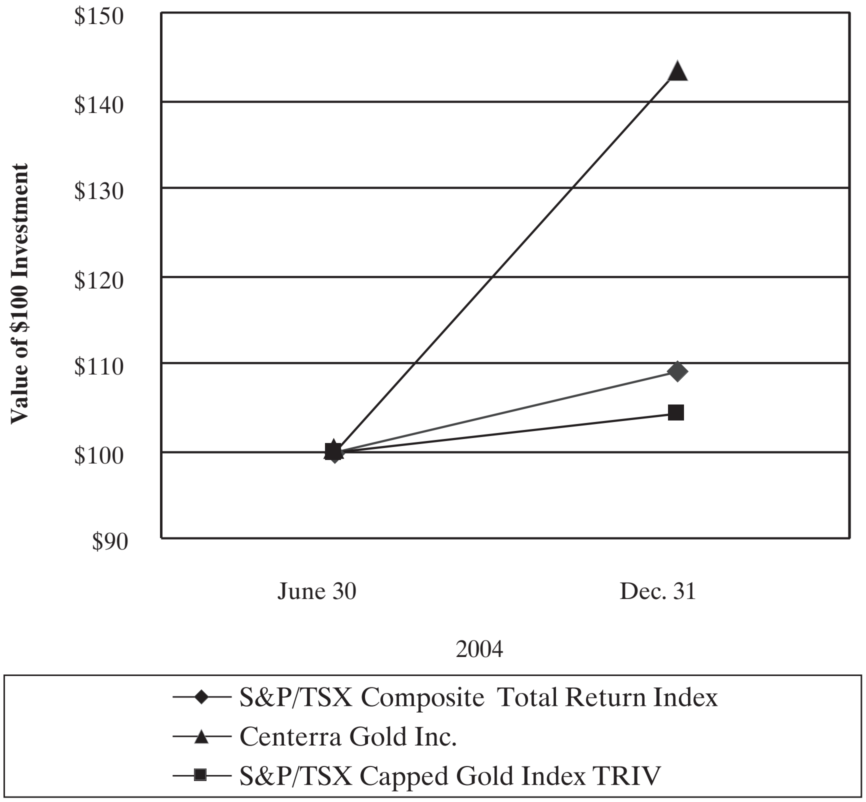
Centerra has entered into an employment agreement with Mr. George Burns, the terms of which are substantially as follows. Mr. Burns is Centerra's Vice President and Chief Operating Officer and is paid a base salary of C$275,000 per year. Mr. Burns is also eligible for a target annual bonus of 35% of his salary and a maximum bonus of 70% of his salary under Centerra's Cash Bonus Plan. In addition, Mr. Burns is eligible to participate in Centerra's Performance Share Unit Plan and, upon the closing of Centerra's initial public offering in June, 2004, received an initial grant of 11,089 performance share units. Mr. Burns also participates in Centerra's Share Option and Share Appreciation Rights Plan and, in June, 2004, received an initial grant of 20,535 share options and share appreciation rights. If Mr. Burns is terminated without just cause or resigns for good reason as defined in the employment agreement, he will be entitled to a lump sum payment equal to his base salary for the lesser of 12 months and the number of months to his 65th birthday or, if he is terminated within 12 months following a change of control of Centerra Gold Inc., a lump sum payment equal to twice that amount, in each case plus continuance of participation in the benefits plans for that period. Mr. Burns is required to hold an amount of Centerra's common shares equivalent in value to 50% of his base salary, to be achieved within a five-year period.

Robert Chapman

Centerra has entered into an employment agreement with Mr. Robert Chapman, the terms of which are substantially as follows. Mr. Chapman is Centerra's Vice President of Exploration and is paid a base salary of C$150,000 per year. Mr. Chapman is also eligible for a target annual bonus of 25% of his salary and a maximum bonus of 50% of his salary under Centerra's Cash Bonus Plan. In addition, Mr. Chapman is eligible to participate in Centerra's Performance Share Unit Plan and, in June 2004, received an initial grant of 3,629 performance share units. Mr. Chapman also participates in Centerra's Share Option and Share Appreciation Rights Plan and, in June 2004, received an initial grant of 6,720 share options and share appreciation rights. If Mr. Chapman is terminated without just cause or resigns for good reason as defined in the employment agreement he will be entitled to a lump sum payment equal to his base salary for the lesser of 12 months and the number of months to his 65th birthday or, if he is terminated within 12 months following a change of control of Centerra Gold Inc., a lump sum payment equal to twice that amount, in each case plus continuance of participation in the benefit plans for that period. Mr. Chapman is required to hold an amount of Centerra's common shares equivalent in value to 50% of his base salary, to be achieved within a five year period.

PERFORMANCE GRAPH

The following graph compares the total cumulative shareholder return for $100 invested in Common Shares of Centerra from June 30, 2004 to December 31, 2004, with the cumulative total return of the S&P/TSX Composite Total Return Index and S&P/TSX Capped Gold Index TRIV for the same period. Centerra's common shares were initially offered at a price of $15.50 per share. The closing price of Centerra's shares on the TSX on December 31, 2004 was $22.25 per share.



COMPENSATION OF DIRECTORS

Centerra's non-executive directors receive a retainer of C$45,000 per year, 60% of which is paid in deferred share units and the balance in cash. The chair of each committee of the Board also receives an additional retainer of C$3,000 per year except the chair of the Audit Committee, who receives an additional retainer of C$6,000 per year. Directors receive an attendance fee of C$1,250 for each board meeting and committee meeting that they attend and C$1,750 for each Audit Committee meeting that they attend. Directors who are officers of Cameco, Cameco Gold, Centerra or their subsidiaries do not receive fees for serving as directors. Directors are reimbursed for travel and other out-of-pocket expenses incurred in connection with meetings of the Board of Directors or any committee of the Board and are provided a travel allowance of C$1,250 per meeting (C$3,750 in the case of Kyrgyzaltyn's nominee).

Mr. Patrick M. James is the non-executive Chairman of the Board. Mr. James sits on three committees and chairs one. Mr. James is entitled to an annual retainer in the amount of C$125,000, 60% of which is to be paid in deferred share units and the balance in cash. Mr. James is also entitled to the usual fees for attending Board and committee meetings. In addition, Mr. James provided special transition assistance to us from the date of his appointment to December 31, 2004 for which he was paid an additional retainer of C$125,000, payable in deferred share units or cash as elected by Mr. James. Mr. James was provided with rental accommodation and a car in Toronto until June 30, 2004 and will be provided a club membership during his tenure, at Centerra's expense.

Directors Deferred Share Unit Plan

Centerra has established a deferred share unit plan to provide for non-executive directors to receive a portion of their director's compensation as deferred share units. Directors may elect to receive all of their director's compensation as deferred share units. Management believes that the implementation of this plan will further align the interest of these directors with those of the shareholders. Directors who are officers of Cameco, Cameco Gold, Centerra or their subsidiaries do not receive DSUs for serving as directors.

Deferred share units are paid in full to the director no later than December 31 in the calendar year that immediately follows the calendar year following termination of Board service. Each deferred share unit vests immediately and represents the right of the director to receive, after termination of Board service, at Centerra's option, one common share of Centerra Gold purchased on the open market or the equivalent cash value. If a dividend is paid on the common shares, each director will be allocated additional deferred share units equal in value to the dividend multiplied by the number of deferred share units held by the director. Directors who are officers of Cameco, Cameco Gold or Centerra or its subsidiaries are not eligible for DSUs.

Directors Share Ownership Guidelines

Centerra has established share ownership guidelines for its non-executive directors of an amount equal to three times their annual retainer, to be achieved within a period of five years. Deferred share units count toward the achievement of these ownership guidelines.

INDEBTEDNESS

As of March 16, 2005, there was no indebtedness (other than "routine indebtedness" under applicable Canadian securities laws) of officers, directors and employees and former officers, directors and employees of the Corporation or its subsidiaries.

AUDIT COMMITTEE

Information regarding the Corporation's Audit Committee can be found under "Directors and Officers — Committees of the Board of Directors — Audit Committee" in the Corporation's Annual Information Form (AIF) for the financial year ended December 31, 2004. A copy of the AIF can be obtained by securityholders of the Corporation free of charge by contacting the Corporation at 1 University Avenue, Suite 1500, Toronto, Ontario, M5J 2P1, Attention: Director Investor Relations, or (416) 204-1953 or can be found on SEDAR at www.sedar.com.

REPORT ON CORPORATE GOVERNANCE

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

The Nominating and Corporate Governance Committee has been reviewing Centerra's approach to corporate governance in light of the recommended best practices in proposed National Policy 58-201 — Corporate Governance Guidelines (the "Proposals"). Once the Proposals are adopted in final form, the Nominating and Corporate Governance Committee will reassess Centerra's corporate governance practices and consider implementing changes to maintain the Corporation's commitment to high standards of corporate governance.

The following statement sets out a description of Centerra's corporate governance practices as approved by the Board of Directors taking into account the guidelines for effective corporate governance adopted by the TSX in 1995 (the "TSX Guidelines"). A report with specific reference to each of the TSX Guidelines is attached as Schedule A.

Board Mandate

The Board supervises the conduct of the affairs of the Corporation directly and through its committees. In so doing, the Board endeavours to act always in the best interests of the Corporation. In addition, the Board recognizes the importance of the enhancement of both short and longer term value for all shareholders. In carrying out its responsibilities, the Board appoints the senior executives of the Corporation and meets with them on a regular basis to receive and consider reports on the Corporation's business. The Board of Directors holds regularly scheduled meetings, with additional meetings being held as required to consider particular issues or conduct specific reviews between regularly scheduled meetings whenever appropriate. Between Centerra's initial public offering on June 30, 2004 and December 31, 2004, the Board of Directors held 3 meetings.

Along with those matters which must by law be approved by the Board, key strategic decisions are also submitted by management to the Board for approval. In addition to approving specific corporate actions, the Board reviews and approves the reports issued to shareholders, including annual and interim financial statements, as well as materials prepared for shareholders' meetings. The Board also approves the Corporation's overall business strategies and annual business plans for achieving its objectives.

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

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

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

The Board has adopted a formal written mandate which clarifies these responsibilities and complements the written mandates of each of the committees. It also includes a position description for the Chair of the Board.

The Board receives reports on Centerra's operating activities as well as timely reports on certain non-operational matters, including insurance, pensions, corporate governance and treasury matters.

Directors are provided an opportunity to meet individually in work sessions with senior management to obtain further insight into the operations of the Corporation and its subsidiaries, and are involved on a regular basis in discussions with management. Individual directors are also free to consult with members of senior management whenever so required and to engage outside advisers, at the expense of the Corporation, with the authorization of the Nominating and Corporate Governance Committee. Independent directors meet separately at each Board meeting without management present to ensure the Board is able to discharge its responsibilities independently of management.

Composition of the Board

Approximately 52.7% of the outstanding Common Shares are held by the Corporation's controlling shareholder, Cameco Gold, and approximately 15.7% of the outstanding Common Shares are held by Kyrgyzaltyn.

So long as Kyrgyzaltyn and its affiliates continue to hold more than 5% of the Corporation's outstanding common shares, Cameco Gold will vote its common shares to approve the election or appointment of one nominee designated by Kyrgyzaltyn to the Board and the Corporation will include in its proposed slate of directors nominated for election at each annual or special meeting one Board nominee designated by Kyrgyzaltyn. So long as Cameco Gold and its affiliates continue to hold more than 5% of the Corporation's outstanding common shares, Kyrgyzaltyn will vote its common shares to approve the election or appointment of that number of nominees designated by Cameco Gold to the Board as is proportionate to Cameco Gold's shareholdings.

Centerra's Board has assessed the independence of each of its members. In determining independence, the Board examined and relied on the definition of independence in the Proposals and the definition of "unrelated director" in the TSX Guidelines. After considering a wide variety of factors and information disclosed by each director, the Board determined that of the nine directors, five are independent and unrelated.

- One of the directors, Mr. Homeniuk, is not independent or unrelated because he is a member of management of Centerra.
- Two of the directors, Mr. Grandey and Mr. Rogers, are not independent or unrelated because they are members of management of Cameco, the Corporation's indirect parent corporation.
- One of the directors, Mr. Matayev, is the President of Krygyzaltyn, which has significant ongoing arrangements with Centerra as discussed under the heading "Interests of Management and Others in Material Transactions" in Centerra's Annual Information Form for the financial year ended December 31, 2004.

Committees of the Board of Directors

Each Board committee operates under a written charter that sets out its responsibilities and duties, qualifications for membership, procedures for committee member removal and appointment and reporting to the Board. The charters will be reviewed annually by the relevant committee and the Nominating and Corporate Governance Committee, which may make recommendations to the Board for changes. Below is a brief description of the responsibilities of each committee. All of the committees are comprised solely of non-management directors.

Audit Committee

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

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

The members of the Audit Committee are Messrs. Austin, Auston and James. The Board has determined that all of the Audit Committee members are independent and financially literate as required by applicable securities legislation. Between Centerra's initial public offering on June 30, 2004 and December 31, 2004, the Audit Committee met 3 times.

Nominating and Corporate Governance Committee

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

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

The members of the Nominating and Corporate Governance Committee are Messrs. Austin, Grandey, James and Webb. Between Centerra's initial public offering on June 30, 2004 and December 31, 2004, the Nominating and Corporate Governance Committee met twice.

Human Resources and Compensation Committee

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

- the selection and retention of senior management;
- the compensation of senior management;
- senior management succession and development;
- human resources policies; and
- any additional matters delegated to the Human Resources and Compensation Committee by the Board.

The members of the Human Resources and Compensation Committee are Messrs. Austin, Spross and Webb. Between Centerra's initial public offering on June 30, 2004 and December 31, 2004, the Human Resources and Compensation Committee met twice.

Safety, Health and Environmental Committee

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

- the establishment and review of Centerra's safety, health and environmental policies;
- management of the implementation of compliance systems;
- monitoring the effectiveness of Centerra's safety, health and environmental policies, systems and monitoring processes;
- receiving audit results and updates from management with respect to Centerra's health, safety and environmental performance;
- reviewing the annual budget for safety, health and environmental operations; and
- any additional matters delegated to the Safety, Health and Environmental Committee by the Board.

The members of the Safety, Health and Environmental Committee are Messrs. James, Mateyev, Rogers and Spross. Between Centerra's initial public offering on June 30, 2004 and December 31, 2004, the Safety, Health and Environmental Committee met twice.

Reserves Committee

The Reserves Committee is responsible for assisting the Board in fulfilling its oversight responsibilities in relation to:

- the estimation of reserves by management;
- the review of reserve information before publication; and
- any additional matters delegated to the Reserves Committee by the Board.

The members of the Reserves Committee are Messrs. Auston, Mateyev and Spross. Between Centerra's initial public offering on June 30, 2004 and December 31, 2004, the Reserves Committee met twice.

Assessment Process

The Nominating and Corporate Governance Committee intends to develop a process for assessing the effectiveness and contribution of the Board and its committees. The Board intends to review the process for assessing the performance of the Chair of the Board and the Chief Executive Officer.

Director Qualifications and Board Size

The Nominating and Corporate Governance Committee is responsible for assessing the need for new directors, and the preferred experience and qualifications of new directors. The Committee recommends candidates for initial Board membership and Board members for re-nomination. Recommendations are based on character, integrity, judgment, business experience, record of achievement and any other skills or talents that would enhance the Board and overall management of the business and affairs of the Corporation.

The Nominating and Corporate Governance Committee is responsible for maintaining an understanding of the anticipated tenure of current directors, and the needs of the Board as a whole. Particular candidates are considered in light of the Board's current and anticipated needs. The Board is currently of the view that its optimal size for effective decision-making and committee work is 9 to 10 members.

Centerra provides new directors with orientation materials describing the business of the Corporation, its corporate governance structure and related policies and information. New directors also have meetings with Centerra's Chief Executive Officer, Chief Financial Officer and other senior executives.

Director Attendance

All directors are expected to attend Board and relevant committee meetings and the annual meeting of shareholders, except where the failure to attend is due to unavoidable circumstances.

Codes of Ethics

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

Centerra's Board has adopted a Code of Ethics for employees which addresses, among other things, avoidance of conflicts of interest, protection of confidential information, compliance with applicable laws, rules and regulations, adherence to good disclosure practices and procedures for employees and third parties to report concerns with respect to accounting and auditing matters. As set out in the code, an employee who, in good faith, reports a concern regarding accounting matters or a suspected breach of the code is protected from reprisal, such as dismissal, demotion, suspension, threats, harassment or discrimination.

The Board has also adopted a Code of Ethics for directors which sets out the ethical standards that apply to directors in the exercise of their duties.

Disclosure and Insider Trading Policy

Centerra's Board has adopted and periodically reviews and updates Centerra's written corporate disclosure and insider trading policy. This policy among other things:

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

Shareholder/Investor Communications and Feedback

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

You may contact the Board or Centerra's independent directors as a group by writing to them c/o Frank Herbert, Corporate Secretary, Centerra Gold Inc., 1 University Avenue, Suite 1500, Toronto, Ontario, M5J 2P1, email: frank.herbert@centerragold.com.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

Insurance Coverage for Directors and Officers and Indemnification

Centerra's directors and officers are covered under the directors and officers insurance policies of its ultimate parent Cameco. The aggregate limit of liability applicable to those insured directors and officers under the policies is C$100 million inclusive of defence costs. There is no deductible for officers or directors under these policies. Under the policies, Centerra has reimbursement coverage to the extent that it or a subsidiary has indemnified a director or officer in excess of a deductible of C$1 million for each loss. The policies include coverage for wrongful acts (including misleading statements), insuring against any legal obligation to pay on account of any claims brought. The premium paid by Centerra in 2004 was $285,175.

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

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Information regarding interests of informed persons in material transactions can be found under the heading "Interest of Management and Others in Material Transactions" in the Corporation's Annual Information Form (AIF) for the financial year ended December 31, 2004. A copy of the AIF can be obtained by securityholders of the Corporation free of charge by contacting the Corporation at 1 University Avenue, Suite 1500, Toronto, Ontario, M5J 2P1, Attention: Director Investor Relations, or (416) 204-1953 or can be found on SEDAR at www.sedar.com.

APPOINTMENT OF AUDITOR

The management representatives designated in the enclosed form of proxy intend to vote **FOR** the reappointment of KPMG LLP as auditor of the Corporation to hold office until the next annual meeting of shareholders. KPMG LLP was appointed auditor of the Corporation on April 30, 2004. The resolution to appoint KPMG LLP as auditor of the Corporation must be passed by at least 50% of the votes cast by the holders of Shares present in person or represented by proxy at the meeting. Information regarding fees paid to KPMG LLP in each of the last two financial years can be found in the Corporation's AIF for the financial year ended December 31, 2004

SHAREHOLDER PROPOSALS FOR NEXT YEAR'S ANNUAL MEETING

The *Canada Business Corporations Act* permits certain eligible shareholders of the Corporation to submit shareholder proposals to the Corporation, which proposals may be included in a management proxy circular relating to an annual meeting of shareholders. The final date by which the Corporation must receive shareholder proposals for the annual meeting of shareholders of the Corporation to be held in 2006 is January 1, 2006.

ADDITIONAL INFORMATION

Financial information for the financial year ended December 31, 2004, is provided in the Corporation's comparative financial statements and management's discussion and analysis (MD&A) which are included in the Annual Report. Securityholders who wish to be added to the mailing list for the annual and interim financial statements and MD&A should contact the Corporation at 1 University Avenue, Suite 1500, Toronto, Ontario, M5J 2P1 or (416) 204-1953.

Copies of the Corporation's current Annual Information Form (AIF), together with one copy of any document, or the pertinent pages of any document, incorporated by reference in the current AIF; the Corporation's most recently filed comparative annual financial statements, together with the accompanying report of the auditor, and any interim financial statements of the Corporation that have been filed for any period after the end of the Corporation's most recently completed financial year; and this circular are available to anyone, upon request, from the Secretary of the Corporation, and without charge to securityholders of the Corporation.

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

DIRECTORS' APPROVAL

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

By Order of the Board of Directors

(Signed) Frank Herbert

Frank Herbert
Secretary

Toronto, Ontario
April 1, 2005

SCHEDULE A

TSX Corporate Governance Committee's Guidelines	Centerra's Corporate Governance Practices	Consistent with TSX Guidelines?
1. The board should explicitly assume responsibility for the stewardship of the corporation, specifically for:	The Board of Directors (Board) has a formal mandate with the responsibility for the stewardship of the Corporation. The Board of Directors discharges this responsibility by developing and determining policies by which the business and affairs of the Corporation are to be managed and by overseeing the management of the Corporation.	Yes
(a) Adoption of a strategic planning process;	The Corporation's comprehensive strategic planning process results in the annual review and approval by the Board of a strategic plan, a one-year budget and a three-year financial plan. The Corporation's strategic plan takes into account the risks and opportunities of the business. The Board reviews the strategic plan with management throughout the year.	Yes
(b) Identification of principal risks and implementing risk management systems;	The Board discusses the principal risks of Centerra's business as an element of the strategic planning and budgeting processes. The Board has set policy for implementation and review of a Centerra risk register. The Audit Committee provides oversight of risk management. The Reserves Committee oversees estimation of Centerra's reserves and resources. The Safety, Health and Environment Committee provides oversight of Centerra's systems related to safety, health and environmental risk.	Working towards
(c) Succession planning and monitoring senior management;	The Human Resources and Compensation Committee intends to annually review the adequacy of the Corporation's succession plan and to formally evaluate the performance of senior management. The Committee sets specific goals for the Corporation and senior management to meet. The Committee has in place processes to recruit senior managers with the highest standards of integrity and competence, and to train, develop and retain them.	Working towards
(d) Communications policy; and	Centerra has a formal communications policy and is committed to openness, excellence and timeliness in communications with shareholders, employees and the public. Centerra's investor and media relations department provides information to current and potential shareholders and responds to their inquiries and concerns. The CEO and other officers meet periodically with financial analysts and institutional investors. Investors and media relations staff are also available by telephone and fax. Centerra maintains a website at www.centerragold.com to provide information to shareholders and the public.	Yes

TSX Corporate Governance Committee's Guidelines	Centerra's Corporate Governance Practices	Consistent with TSX Guidelines?
	The Board has approved and annually reviews Centerra's disclosure policy covering timely dissemination of all material information. All material public filings are reviewed by a disclosure committee comprised of senior management. The disclosure committee has adopted formal disclosure controls and procedures and annually reviews them for effectiveness. Prior to approval by the Board certain public filings or portions thereof are reviewed by the Audit Committee, Reserves Committee or Human Resources and Compensation Committee. The Board reviews and approves the annual and interim financial statements and management's discussion and analysis, management proxy circulars, prospectuses, annual information forms and other disclosure documents required to be approved by the directors of a corporation under securities laws, regulations or stock exchange rules.	
(e) Integrity of internal control and management information systems.	The Board and its committees monitor the integrity of Centerra's internal control and management information systems. The Audit Committee is responsible for overseeing the internal controls over accounting and financial reporting systems. The Audit Committee reviews annually the disclosure controls and procedures of the Corporation, internal controls over financial reporting and the certification timetable and process. Quarterly financial presentations are made to the Audit Committee. At every regular meeting the Audit Committee meets with each of the internal auditor and external auditors of the Corporation separate from management. The Board receives quarterly financial presentations from the CFO as to results and forecasts. The Safety, Health and Environmental Committee of the Board is responsible for monitoring the safety, health and environmental management systems at Centerra.	Yes
2. (a) Majority of directors should be unrelated (free from any interest or relationship which could or could reasonably be perceived to materially interfere with the directors' ability to act in the best interests of the corporation, other than interests arising from shareholdings);	Five of the nine directors are unrelated in accordance with the TSX Guidelines.	Yes

TSX Corporate Governance Committee's Guidelines	Centerra's Corporate Governance Practices	Consistent with TSX Guidelines?
(b) Disclosure of significant shareholder (ability to exercise a majority of votes to elect the directors).	Approximately 52.7% of the outstanding Common Shares are held by the Corporation's principal shareholder, Cameco Gold and approximately 15.7% of the outstanding Common Shares are held by Kyrgyzaltyn. So long as Kyrgyzaltyn continues to hold more than 5.0% of the Corporation's outstanding common shares, Cameco Gold will vote its common shares to approve the election or appointment of one nominee designated by Kyrgyzaltyn to Centerra's board of directors and will include in its proposed slate of directors nominated for election at each annual or special meeting one Board nominee designated by Kyrgyzaltyn. So long as Cameco Gold holds more than 5.0% of Centerra's outstanding common shares, Kyrgyzaltyn will vote its common shares to approve the election or appointment of that number of nominees designated by Cameco Gold to Centerra's board of directors as is proportionate to Cameco Gold's shareholdings.	Yes
3. Disclosure for each director, whether he or she is related, and how that conclusion was reached.	The Board is responsible for determining whether or not each director is an *unrelated* director and also whether each director is *independent.* To do this, the Board analyzes all the relationships of the directors with the Corporation and its subsidiaries. The Board has assessed the independence of each of its members. In determining independence, the Board examined and relied on the definition of independence in the Proposals and the definition of "unrelated director" in the TSX Guidelines. After considering a wide variety of factors and information disclosed by each director, the Board determined that of the nine directors, five are independent and unrelated. • One of the directors, Mr. Homeniuk, is not independent or unrelated because he is a member of management of Centerra. • Two of the directors, Mr. Grandey and Mr. Rogers are not independent or unrelated because they are members of management of Cameco. • One of the directors, Mr. Mateyev, is not independent or unrelated because he is the President of Krygyzaltyn, which has significant ongoing arrangements with Centerra as discussed under the heading "Interests of Management and Others in Material Transactions" in Centerra's Annual Information Form for the financial year ended December 31, 2004.	Yes

TSX Corporate Governance Committee's Guidelines	Centerra's Corporate Governance Practices	Consistent with TSX Guidelines?
4. (a) Appointment of a committee responsible for appointment/ assessment of directors; and	The Nominating and Corporate Governance Committee has the mandate to: • establish qualifications and criteria for Board membership • recommend candidates for annual election and for filling vacancies on the Board • recommend committee members and the chair of committees • evaluate the performance of the Board and of committees	Yes
(b) Comprised exclusively of non-management directors, a majority of whom are unrelated.	Centerra's Nominating and Corporate Governance Committee is comprised exclusively of non-management directors.	Yes
5. Implement a process for assessing the effectiveness of the board, its committees and individual directors.	The Nominating and Corporate Governance Committee intends to develop a process for assessing the effectiveness and contribution of the Board, its committees and each individual director.	Working towards
6. Provide orientation and education programs for new board members.	A director's manual is provided to all directors, which is updated from time to time. New Board members receive a formal directors' education program. Board and committee presentations by management include appropriate background information. The Audit Committee has instituted an education program for committee members. In 2005 the Nominating and Corporate Governance Committee plans to develop a more formal ongoing education program for directors. Board members are encouraged to attend seminars and conferences from time to time on pertinent topics at Centerra's expense.	Yes
7. Consider the size of the board, with a view to improving its effectiveness.	Centerra's present Board size of 9 members brings the necessary skills and experience to Board decision-making to form an effective decision-making body. Centerra's Nominating and Corporate Governance Committee annually assesses the size of the Board and its composition to determine whether it has all the necessary constituents for effective decision making.	Yes
8. Review of compensation of directors in light of risks and responsibilities.	The Human Resources and Compensation Committee, comprised entirely of non-management directors, is mandated to review and recommend to the Board the remuneration for directors from time to time. In order to greater align the interests of directors and shareholders, Centerra has adopted share ownership guidelines and a deferred share unit (DSU) plan for directors. Under the share ownership guidelines, new directors are required to hold Common Shares equal to three times their annual retainer, to be achieved within a period of five years. DSUs count toward the achievement of share ownership guidelines.	Yes

TSX Corporate Governance Committee's Guidelines	Centerra's Corporate Governance Practices	Consistent with TSX Guidelines?
9. (a) Committees should be generally composed of non-management directors; and	The committees of the Board are the: • Audit Committee • Human Resources and Compensation Committee • Reserves Committee • Safety, Health and Environmental Committee • Nominating and Corporate Governance Committee All committees are comprised solely of non-management members.	Yes
(b) Majority of committee members should be unrelated.	A majority of the members of each Board committee are independent and unrelated.	Yes
10. Appoint a committee responsible for approach to corporate governance issues.	The Nominating and Corporate Governance Committee is mandated to be responsible to the Board for governance of Centerra, including the Corporation's approach to corporate governance issues and the relationship of the Board to management.	Yes
11. (a) Define limits to management's responsibilities by developing mandates for: (i) the board; and (ii) the CEO.	The Board has a formal written mandate. The CEO's limits of authority are clearly defined.	Yes
(b) Board should approve CEO's objectives.	The Human Resources and Compensation Committee annually reviews and recommends to the Board for approval the CEO's specific objectives.	Yes
12. Establish procedures to enable the board to function independently of management.	The Chair of the Board is an independent director. The Board meets separately from management at each regularly scheduled meeting.	Yes
13. (a) Establish an audit committee and a specifically defined mandate; and	Centerra's Audit Committee has a formal written mandate, the text of which is included in the Corporation's Annual Information Form.	Yes
(b) All members should be non-management directors	Centerra's Audit Committee is comprised entirely of independent directors who are financially literate as required by applicable securities legislation. The Audit Committee meets with the internal auditor and external auditors at regularly scheduled meetings separate from management. Management annually reports to the Committee with respect to the adequacy and effectiveness of the Corporation's disclosure controls and systems of internal control. The Audit Committee must pre-approve all non-audit services performed by the external auditors' and is responsible for fixing the external auditors compensation.	Yes

TSX Corporate Governance Committee's Guidelines	Centerra's Corporate Governance Practices	Consistent with TSX Guidelines?
14. Implement a system to enable individual directors to engage outside advisors at the corporation's expense.	Individual directors can engage outside advisors with the authorization of the Nominating and Corporate Governance Committee. Each committee is authorized by its mandate to engage external advisors to assist it in carrying out its duties.	Yes