



NEWS RELEASE

(All figures are in United States dollars)

Centerra Gold on Track to Multi-Year Mine Life Extension at its Kumtor Mine

Toronto, Canada, October 25, 2005: Centerra Gold Inc. (TSX: CG) is pleased to provide an update on its extensive exploration program at the Kumtor mine and nearby Sarytor target. Results from the third-quarter drilling have extended previously-identified mineralized zones and support the Company's exploration strategy to significantly expand the Kumtor mine life.

Third Quarter 2005 Highlights

- SB Zone - extended the mineralization in the up dip and down dip directions with thick intercepts and good gold grades. Zone remains open at depth and to the south. Five drills currently at work on the zone. Reserves and resources update expected for year-end 2005.
 - NB Zone – continued to delineate the mineralization with thick intercepts and good gold grades. Zone remains open in several directions.
 - North end – encountered significant mineralized intervals in relatively under-explored area.
 - Sarytor – confirmed the continuity of the mineralization in several areas.
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Comment

“The extensions of the mineralization with outstanding grades and thicknesses confirm that the Kumtor mine and surrounding target areas have significant potential to support Centerra’s mining activities for many years to come,” said Len Homeniuk, President and CEO.

“We are continuing our extensive multi-year exploration program around the Kumtor pit and surrounding areas. We are confident that we will achieve a compelling return on our investment,” concluded Mr. Homeniuk.

Complete listings of all the third quarter exploration drill results at the Kumtor pit and Sarytor target are available on the Company's website at www.centerragold.com/properties/exploration_update_october_2005/.

Where applicable, drilling results discussed and shown in this release and on the Company's website have been compiled using similar criteria to those used in estimating the Company's resources for each of the areas discussed. Pertinent criteria are provided with the drilling results on the Company's website at www.centerragold.com/properties/exploration_update_october_2005/.

Drilling activities were focused on the Kumtor pit and the nearby Sarytor target area. At the pit, the focus was on delineating the zones in the southern (SB) and northern (NB) portions and testing beyond the ultimate pit design in the central portion and along the northern flank. The highlights from the program are as follows:

A total of 30 diamond drill holes were completed totaling 13,731 metres in the vicinity of the pit.

In the southern portion, three drill holes further delineated the **SB Zone** in the southernmost 200 metres of the drill pattern. All of the drill holes intersected the thick mineralized horizon with two of the three holes extending the mineralization for about 130 metres in the up-dip direction on one section and the third hole penetrating the horizon 60 metres further down dip. The drill holes returned down hole intercepts varying from 20 metres to 44 metres thick and average grades in the range of 2.7 grams per tonne ("g/t") gold to 12 g/t gold. The SB Zone remains open at depth and to the south.

In the northern portion, the drilling program continued to delineate the well-mineralized horizon in the **NB Zone** with nine drill holes completed over a strike length of 240 metres. In seven of the nine holes, down hole intercepts at the target horizon vary from 10 metres to 44 metres thick with average grades typically in the range of 3 g/t gold to 7 g/t gold. The zone starts at a depth of about 100 metres beyond the currently anticipated ultimate pit design and has now been systematically drill tested for 200 metres to 300 metres in the down-dip direction where it remains open in several areas.

Along the **North end** of the deposit, nine holes were drilled to test for strike and dip extensions to the main mineralized horizons and to in-fill between wider-spaced holes. Three holes, D1001, D1008 and D1013, encountered significant mineralized intervals and essentially confirmed the geological interpretation for this area. These intercepts are encouraging as they indicate that the auriferous alteration system persists into this relatively under-explored area.

Nine additional drill holes in the **central portion** of the pit were spaced over a 500-metre strike length of the target horizons. These holes were drilled to in-fill and undercut the drill pattern in areas previously tested by wider-spaced drilling. Most of these holes returned intercepts that confirmed the existing KS5 resource block model.

The program is ongoing with six drills currently active in the vicinity of the pit.

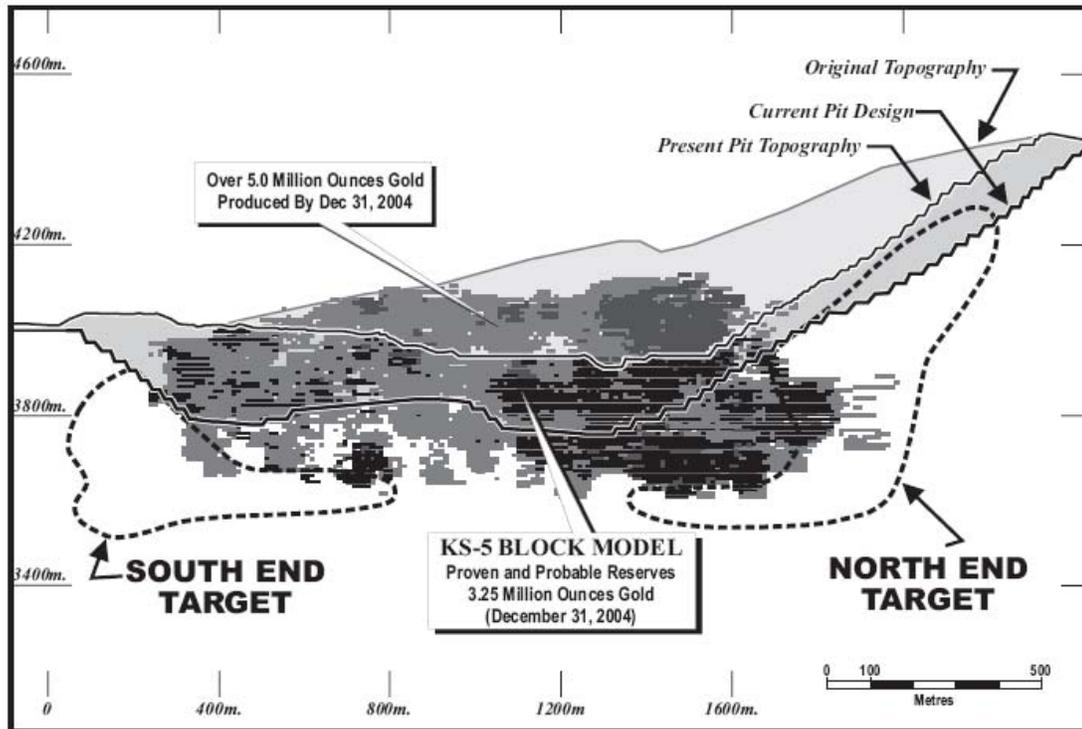
Resource modeling, and geotechnical and engineering studies are in progress in preparation for an updated estimate of reserves and resources for year-end 2005.

Kumtor Pit – Drilling Highlights for the Third Quarter of 2005

Location	Hole #	From (metres)	To (metres)	Length (metres)	Grade (g/t gold)	
SB Zone	D993	285.9	330.1	44.2	12.21	
	including	296.9	321.0	24.1	17.83	
		358.3	361.2	2.9	12.79	
		367.0	376.4	9.4	3.28	
	including	367.0	369.9	2.9	6.54	
SB Zone		409.9	416.4	6.5	3.42	
	D1002	139.4	173.4	34.0	5.15	
	including	139.4	150.9	11.5	11.92	
		230.8	236.2	5.4	2.14	
		245.0	287.0	42.0	1.89	
SB Zone	including	271.7	280.8	9.1	4.07	
	D1012A	102.0	122.0	20.0	2.67	
	including	113.0	122.0	9.0	4.26	
	NB Zone	D989A	391.0	429.0	38.0	5.91
		including	398.0	409.5	11.5	10.0
including		416.0	421.0	5.0	11.78	
NB Zone		442.1	447.0	4.9	2.64	
	1010B	375.7	387.6	11.9	5.14	
		404.5	463.1	58.6	2.68	
	including	405.5	418.0	12.5	5.46	
	North end	D1001	233.1	255.7	22.6	4.00
including		239.0	249.7	10.7	5.01	
North end	D1008	84.8	98.8	14.0	6.60	
	D1013	246.6	252.2	5.6	7.97	

Note: True widths for the mineralized zones are typically from 75% to 95% of the stated intercepts

Kumtor – Longitudinal Section



At the **Sarytor** target located immediately to the west of the Southwest Zone and five kilometres from the Kumtor mill, a drilling program is in progress with three drills at the site. During the quarter, 16 drill holes totaling 2,552 metres were completed. The objectives of the program are to determine the limits of the mineralized horizons and to systematically in-fill between existing holes to better assess the size potential and the average grade. The in-fill drill holes typically confirmed the continuity of the mineralization in several areas. Four holes, SR-37, -39, -40 and -47, have in-filled along an 80-metre strike length of a thicker mineralized portion of the zone and have returned down hole intercepts at the target horizon varying from 14 metres to 37 metres thick with average grades in the range of 2 g/t gold to 4 g/t gold . Drill holes testing the flanks of the drill pattern have effectively determined the northern and western limits to the mineralized horizons.

Sarytor – Drilling Highlights for the Third Quarter of 2005

Location	Hole #	From (metres)	To (metres)	Length (metres)	Grade (g/t Au)
Sarytor	SR-37	75.1	92.2	17.1	3.11
Sarytor	SR-39	50.3	85.5	35.2	2.03
Sarytor	SR-40	173.7	210.7	37.0	3.97
	including	182.6	186.6	4.0	9.78
	including	197.2	201.2	4.0	8.30
Sarytor	SR-47	111.8	125.8	14.0	3.39
		135.3	146.0	10.7	2.01
		150.4	192.5	42.1	2.34

Note: True widths for the mineralized zones are typically from 80% to 95% of the stated intercepts

A National Instrument 43-101 compliant Technical Report on the Kumtor mine was filed on May 14, 2004 and is available on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at www.sedar.com. The report describes the exploration history, geology and style of gold mineralization at the Kumtor deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the drilling programs at the Kumtor site and Sarytor target are the same as, or similar to, those described in the Technical Report.

Qualified Person

The new drilling results were reviewed, verified and compiled by Centerra’s geological and mining staff under the supervision of Robert S. Chapman, P. Geo., Centerra’s Director, Mergers & Acquisitions, who is a Qualified Person for the purpose of National Instrument 43-101 and is the person responsible for the preparation of the technical information in this news release and related exploration results on Centerra’s website.

About Centerra

Centerra is a growth-oriented, pure-play gold company focused on acquiring, exploring, developing and operating gold properties primarily in Central Asia, the former Soviet Union and other emerging markets. The two gold mines operated by the Company are expected to produce 798,000 ounces in 2005 at a total cash cost of about \$229 per ounce. This ranks Centerra as a leading North American gold producer and the largest Western-based gold producer in Central Asia and the former Soviet Union. Centerra’s shares trade on the Toronto Stock Exchange (TSX) under the symbol CG. The Company is based in Toronto, Canada.

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Additional information on Centerra is available on the Company's web site at www.centerragold.com and on SEDAR at www.sedar.com.

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