



NEWS RELEASE

(All figures are in United States dollars)

Centerra Gold Updates Resources and Reserves Extends Mine Lives and Advances Exploration Projects

Toronto, Canada, January 27, 2005: Centerra Gold Inc. (TSX: CG) today issued updated estimates on the resources and reserves at its operating mines and advanced projects. Based on the new reserve estimates, the mine lives at Kumtor and Boroo will each be extended by about one year. Additionally, the resource bases at the Gatsuurt and REN projects have been significantly upgraded and expanded. Exploration activities in 2005 are planned to total \$22 million, an almost 50% increase over the 2004 program of \$15 million.

On a 100% project basis, proven and probable reserves at Centerra's operations at December 31, 2004 totaled 4.4 million ounces of contained gold. In 2004, 1.1 million ounces of contained gold were fed to the mills and this was offset by the addition to reserves of 1.1 million ounces of contained gold.

On a 100% project basis, measured and indicated resources at December 31, 2004 totaled 3.8 million ounces of contained gold. This is an increase of 1.2 million ounces of contained gold over the December 31, 2003 measured and indicated resources.

The resources and reserves, estimated as at December 31, 2004, were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101 of the Canadian Securities Administrators ("NI 43-101").

The technical information provided for Kumtor, Boroo and the REN project was prepared under the supervision of Robert S. Chapman, M. Sc., P. Geo., and Centerra's Vice President of Exploration who is a Qualified Person. Richard E. Routledge, M. Sc., P. Geol., an employee of Roscoe Postle Associates Inc. ("Roscoe Postle"), of Toronto, Canada, prepared the resource estimates and is the Qualified Person for the Gatsuurt project.

Mineral resources are not mineral reserves, and do not have demonstrated economic viability, but do have reasonable prospects for economic extraction. Measured and indicated resources are sufficiently well defined to allow geological and grade continuity to be reasonably assumed and permit the application of technical and economic parameters in assessing the economic viability of the resource. Inferred resources are estimated on limited information not sufficient to verify geological and grade continuity or to allow technical and economic parameters to be applied. Inferred resources are too speculative geologically to have economic considerations applied to

them to enable them to be categorized as mineral reserves as there is no certainty that mineral resources can be upgraded to mineral reserves through continued exploration.

A gold price of \$375 per ounce was used for all of the reserve estimates. The estimates as at December 31, 2003 used a gold price of \$325 per ounce. Earlier NI 43-101 technical reports and Centerra's prospectus dated June 22, 2004, have been filed and are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com.

Reserves ⁽¹⁾ (Tonnes and ounces in thousands)											
Property	Proven			Probable			Total Proven and Probable Reserves				
	Tonnes	Grade (g/t)	Contained Gold (oz)	Tonnes	Grade (g/t)	Contained Gold (oz)	Tonnes	Grade (g/t)	Contained Gold (oz)	Centerra Share (oz) ⁽²⁾	Mining Method ⁽³⁾
Kumtor	20,087	3.3	2,099	10,902	3.3	1,150	30,989	3.3	3,249	3,249	OP
Boroo	830	2.5	68	10,981	3.1	1,104	11,811	3.1	1,172	1,113	OP
Total	20,917	3.2	2,167	21,883	3.2	2,254	42,800	3.2	4,421	4,362	

Measured and Indicated Resources (Tonnes and ounces in thousands)											
Property	Measured			Indicated			Total Measured and Indicated Resources				
	Tonnes	Grade (g/t)	Contained Gold (oz)	Tonnes	Grade (g/t)	Contained Gold (oz)	Tonnes	Grade (g/t)	Contained Gold (oz)	Centerra Share (oz) ⁽²⁾	Mining Method ⁽³⁾
Kumtor ^{(4) (5)}	9,395	3.3	997	8,195	3.5	917	17,590	3.4	1,914	1,914	OP + UG
Boroo ⁽⁶⁾				2,595	2.3	194	2,595	2.3	194	184	OP
Gatsuurt ⁽⁷⁾				8,100	3.4	890	8,100	3.4	890	890	OP
REN ⁽⁸⁾				1,873	13.1	791	1,873	13.1	791	492	UG
Total	9,395	3.3	997	20,763	4.2	2,792	30,158	3.9	3,789	3,480	

Inferred Resources (Tonnes and ounces in thousands)					
Property	Inferred			Centerra Share (oz) ⁽²⁾	Mining Method ⁽³⁾
	Tonnes	Grade (g/t)	Contained Gold (oz)		
Kumtor ^{(4) (5)}	9,976	4.5	1,448	1,448	OP & UG
Boroo ⁽⁶⁾	3,215	1.9	193	183	OP
Gatsuurt ⁽⁷⁾	1,540	3.1	152	152	OP
REN ⁽⁸⁾	1,261	12.7	516	321	UG
Total	15,992	4.5	2,309	2,104	

- (1) The reserves have been estimated based on a gold price of \$375 per ounce.
- (2) Centerra's equity interests are: Kumtor 100%, Gatsuurt 100%, Boroo 95% and REN 62%.
- (3) "OP" means open pit and "UG" means underground.
- (4) Open pit resources occur beneath the current ultimate pit design using a gold price of \$375 per ounce and are contained within a larger, unengineered pit shell. Underground resources occur below the pit shell and are estimated based on a cutoff grade of 5.0 grams per tonne.
- (5) The open pit resources at Kumtor are estimated based on a cutoff grade of 1.3 grams per tonne.
- (6) The resources at Boroo are estimated based on a variable cutoff grade depending on the type of material and the associated mill recovery. The cutoff grades range from 0.9 grams per tonne to 1.1 grams per tonne.
- (7) The resources at Gatsuurt are estimated based on a cutoff grade of 2.0 grams per tonne.
- (8) The resources at REN are estimated based on a cutoff grade of 8.0 grams per tonne.

Kumtor Mine, the Kyrgyz Republic

The Kumtor reserves in the above table consists of the Kumtor main pit reserves and the Southwest Zone reserves.

- a) The reserve estimate was prepared using a cutoff grade of 1.3 g/t gold. The proven and probable reserves, including the stockpiles, are estimated at 2,966,000 ounces of contained gold, compared to 3,254,000 ounces of contained gold as at the end of 2003. In 2004, 801,000 contained ounces of gold were fed to the mill, and 512,000 ounces of contained gold were added to the reserves. About 45% of the additional reserves is due to using the higher gold price of \$375 per ounce as opposed to the \$325 per ounce gold price used for the previous reserve estimate. The remainder is due to changes in pit design and the reconciliation between the modeled reserve and mill feed.
 - Measured and indicated resources are within a transitional area between the bottom of the designed pit and a larger unengineered pit shell. They are estimated at 1,765,000 ounces of contained gold using a 1.3 g/t gold cutoff grade. These resources are not included in the reserves. This is a decrease of about 97,000 ounces of gold from the 2003 year-end measured and indicated resources and is attributable to conversion of resources to reserves.
 - Materials in this transitional area may be amenable to either open pit or underground mining. Using a 5.0 g/t cutoff grade, there are approximately 3.3 million tonnes of material averaging 8.4 g/t gold for a total of 906,000 ounces of contained gold within the measured and indicated resources quoted above.

- b) The Southwest Zone at Kumtor is a satellite deposit located about three kilometres southwest of the Kumtor Mill.
 - The reserve estimate was prepared using a 1.3 g/t gold cutoff grade. The probable reserves are estimated at 283,000 ounces of contained gold. These reserves are not included in the Kumtor reserves noted above and are additional to them.
 - The indicated resources are estimated to contain 149,000 ounces using the same cutoff grade and are not included in the probable reserves. These resources are not included in the Kumtor resources noted above and are additional to them.
 - The Southwest Zone has been significantly upgraded since the last resource estimate completed during 2002. This prior work estimated an inferred resource of 134,000 ounces at an average grade of 4.8 g/t gold contained within a preliminary pit design using a gold price of \$300 per ounce.
 - A feasibility study was recently completed. Development and mining of an open pit is planned to begin during 2005.

Based on these estimates, the Kumtor pit expansion and mining at the Southwest Zone will extend the Kumtor mine life by about one year.

Boroo Mine, Mongolia

- Geostat Systems International Inc. (“Geostat”) updated the existing resource block model and completed a new resource estimate for the Boroo mine. Based on the updated block model, resource and reserve estimates were prepared under the supervision of Rob Chapman, Centerra’s Qualified Person, and Centerra’s geological

- and mine engineering staff, using variable cutoff grades ranging from 0.9 g/t gold to 1.1 g/t gold depending upon the type of material and the associated gold recovery.
- On a 100% project basis, the proven and probable reserves, including the stockpiles, are estimated at 1,172,000 ounces of contained gold, compared to 1,158,000 ounces of contained gold as at the year-end 2003. In 2004, 269,000 contained ounces of gold were fed to the mill, and 283,000 ounces of contained gold were added to the reserves. This will extend the mine life by about one year. About 36% of the additional reserves is due to using the higher gold price as opposed to the \$325 per ounce gold price for the previous reserve estimate. The remainder is due to factors which include changes in pit designs and lower operating costs.
 - Indicated resources are estimated at 194,000 ounces of gold using the same variable cutoff grades as the reserve estimate. These resources are in addition to the proven and probable reserves. This is a decrease of about 35,000 ounces of contained gold from the 2003 year-end measured and indicated resources.

Gatsuurt Project, Mongolia

- The Gatsuurt deposit is located about 35 kilometres east of the Boroo Mine.
- The Gatsuurt deposit is described in a NI 43-101 technical report prepared for the Boroo gold mine during May 2003 and in Centerra's prospectus dated June 22, 2004 which are available on SEDAR at www.sedar.com. Included are exploration history, geology, style of gold mineralization, metallurgical test work and a prior resource estimate. Sample preparation, analytical technique and quality assurance-quality control protocols used during the drilling programs at Gatsuurt are similar to those used and described in Section 9 of the technical report for the Cameco Gold Mongolia drilling campaigns at the Boroo mine.
- A new NI 43-101 technical report for the Gatsuurt project is being prepared by Roscoe Postle and will be filed on www.sedar.com within 30 days of this press release.
- Roscoe Postle prepared a new resource estimate for the Gatsuurt deposit using the updated drilling database. At a 2.0 g/t gold cutoff grade, a minimum horizontal width of 2 metres and cutting high-grade values to 25 g/t gold, the indicated resources are estimated to be 890,000 ounces of contained gold. Additional inferred resources are estimated at 152,000 ounces of contained gold.
- The Gatsuurt resource base has been significantly expanded by recent drilling programs with most of the additional ounces attributable to the deeper drilling. The prior estimate completed during late 2002 used a 1.2 g/t cutoff grade resulting in an indicated resource containing 536,000 ounces of contained gold at an average grade of 3.2 g/t gold. Additional inferred resources were estimated at 77,000 ounces of contained gold at an average grade of 2.7 g/t gold.

REN Project, Nevada

- The REN project is located about two kilometers north of Barrick's Meikle Mine.
- Roscoe Postle recently worked with Centerra to complete a new resource estimate using the updated drilling database. On a 100% project basis, using an 8.0 g/t gold cutoff grade over a minimum thickness of 10 feet (3.1 metres) and cutting high-grade values to 40 g/t gold, the indicated resources are estimated to be 791,000 ounces of

- contained gold. Additional inferred resources are estimated at 516,000 ounces of contained gold.
- The JB Zone and its southern extension have been interpreted to comprise several lenses. Other mineralized zones are known as 24, 69 and Corona.
 - The REN resource base has been substantially expanded by recent drilling programs with a large portion of the inferred ounces attributable to the 69 Zone located about 600 metres to the northwest of the JB zone. The prior estimate, completed during mid-2003, estimated an inferred resource for the REN project of 1.9 million tonnes averaging 14.8 g/t gold for a total of 900,000 ounces of contained gold using an 8.5 g/t gold cutoff grade.
 - Exploration drilling will continue in 2005 with the focus on expanding the resource base and improving the project's viability.

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 produced 903,030 ounces in 2004 at a total cash cost of about \$189 per ounce. This currently ranks Centerra as the largest Western-based gold producer in Central Asia and the former Soviet Union and the fifth largest North American based gold producer. 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 at SEDAR at www.sedar.com.