

centerra**GOLD**



NEWS RELEASE

Kumtor Mine Ball Mill Repair and Refurbishment

TORONTO, CANADA – March 6, 2008 – Centerra Gold Inc. (TSX: CG) reported that on February 26, 2008, the ring gear on the ball mill at the Kumtor mine failed, requiring the mill to be shut down for seven days. After considering various alternatives, the Company implemented on March 4, 2008 a bypass of the ball mill using the existing SAG mill and regrind mill circuits. The mine continues to process ore at a reduced mill throughput rate. With the ball mill idle, Kumtor has accelerated its planned replacement of the ball mill shell, a defect in which is believed to have contributed to the failure of the ring gear. Kumtor has retained an experienced contractor to repair the ring gear immediately. The ring gear repair and shell replacement is expected to be completed and the ball mill returned to operation by mid-April, 2008. This temporary shutdown of the ball mill and the operation of the reconfigured grinding circuits of the Kumtor mill are not expected to affect the Company's 2008 guidance on gold production or cash costs. While the Company believes the repair will be successful, if the ball mill ring gear cannot be repaired, the Company currently anticipates operating the Kumtor mill without the ball mill until a new ring gear can be procured and installed, which is currently estimated to occur by the end of 2008. While this would result in significantly reduced mill throughput, the Company currently expects that it would achieve its gold production and cost guidance by processing higher grade ore and stockpiling lower grade ore that was scheduled to have been processed in 2008.

Cautionary Note Regarding Forward-looking Information

This news release contains forward-looking information. This forward-looking information includes statements as to management's expectations with respect to, among other things, future production and costs at the Kumtor mine and the performance of the Kumtor mill. Such forward-looking information involves numerous assumptions, risks, uncertainties and other factors that could cause actual results and performance to differ materially from those expressed or implied by such forward-looking information. All information, other than statements of historical fact, is forward-looking information. Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable by us, are inherently subject to significant business, economic and competitive uncertainties and contingencies. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking information.

Material assumptions or factors used to develop the forward-looking information include the following:

- A gold price of \$800 per ounce (for purposes of estimating revenue-based taxes),
- Exchange rates:
 - \$1USD:\$1CAD
 - \$1USD:34.5 Som
- prices for fuel oil, reagents and other consumables will remain consistent with current levels,
- production at the Kumtor pit being maintained at current levels ensuring access to the SB Zone as planned,
- the temporary shutdown of the Kumtor ball mill for repair of the ball mill ring gear and replacement of the ball mill shell described in this news release proceeding as planned,
- the operation of the reconfigured grinding circuits of the Kumtor mill as described in this news release performing as expected,
- no delays in or interruption of scheduled production from the Kumtor mine, including due to natural phenomena, labour disputes or other development and operation risks,
- definitive agreements and transactions with the Kyrgyz Government are completed as anticipated, and
- all necessary permits, licences and approvals are received in a timely manner.

Factors that could cause actual results or events to differ materially from current expectations also include, among other things: volatility and sensitivity to market prices for gold; replacement of reserves; procurement of required capital equipment and operating parts and supplies; increases in production and capital costs; equipment failure; unexpected geological or hydrological conditions; inability to enforce legal rights; defects in title; litigation or arbitration proceedings in which third parties claim title to properties or assets of the Company; imprecision in reserve estimates; success of future exploration and development initiatives; competition; operating performance of the facilities; environmental and safety risks including increased regulatory burdens; seismic activity, weather and other natural phenomena; the speculative nature of exploration and development, including the risks of obtaining necessary permits and approvals from government authorities; changes in national and local government legislation, taxation, controls, regulations, policies and political or economic developments in Canada, Kyrgyzstan, or other countries in which we do or may carry on business in the future; employee relations; and other development and operating risks. Although Centerra believes that the assumptions inherent in the forward-looking statements are reasonable, the reader should not place undue reliance on these statements, which apply only as of the date of this report. Centerra disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise, except to the extent required by applicable laws. For further discussion of the factors that could cause actual results to differ materially, please refer to Centerra's most recent Annual Information Form and Management's Discussion and Analysis for the financial year ended December 31, 2007, available on SEDAR at www.sedar.com.

About Centerra

Centerra is a growth-oriented, gold Company focused on acquiring, exploring, developing and operating gold properties primarily in Central Asia, the former Soviet Union and other emerging markets worldwide. Centerra is a leading North American-based 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 under the symbol CG. The Company is based in Toronto, Canada.

Additional information

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

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