

centerra**GOLD**



NEWS RELEASE

Centerra Gold Clarifies Recent Media Comments Regarding Kumtor

TORONTO, CANADA – May 7, 2007 – Centerra Gold Inc. (TSX: CG) generally does not comment on statements in the media but today’s media reports concerning a road block to the Kumtor mine require correction and clarification. Currently, a small group of villagers (50-70 people) is blocking the road to the Kumtor mine demanding the Government and the Company make further compensation payments in relation to the May 1998 cyanide spill. Under the existing agreements, the government is responsible for any compensation payments and the Company has agreed to make advances to the government to assist it to fulfill its obligations to pay such compensation to the local communities around the mine. The Government has not requested a further advance at this time. The recent parliamentary action aimed at the gold sector has put the government in a difficult position in performing its obligations under its existing agreements. Currently, the road block is not affecting the operation. The Company’s policy is to issue statements if there is any material affect to our operations.

In addition, Centerra has not suspended its investment in Kumtor, but is proceeding with its planned investment program, which includes investing \$15 million in exploration and \$59 million in growth capital at Kumtor in 2007 as has been reported by the Company.

Furthermore, as previously disclosed, the Prime Minister of the Kyrgyz Republic, Mr. Almazbeck Atambaev, has publicly stated that: “The top leadership of the country would not nationalize gold mines,” condemning the recent Parliamentary action. He reiterated the Government’s position that supports a constructive dialogue with the Company regarding a number of issues concerning Kumtor.

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. 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.

Forward Looking Statements

Statements contained in this news release which are not historical facts are forward-looking statements that involve risks, uncertainties and other factors that could cause actual results, performance, prospects and opportunities to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause actual results or events to differ

materially from current expectations include, among other things: volatility and sensitivity to market prices for gold; replacement of reserves; equipment failure; unexpected geological or hydrological conditions; political risks arising from operating in certain developing countries; defects in title; 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; failure to obtain necessary permits and approvals from government authorities; changes in government regulations and policies, including trade and tax laws and policies; ability to maintain and further improve positive labour relations; and other development and operating risks. For further discussion of the factors that could cause actual results to differ materially, please refer to Centerra's Annual Information Form and Annual Management's Discussion and Analysis for the year ended December 31, 2006, available on SEDAR at www.sedar.com.

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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