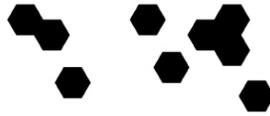


centerra**GOLD**



NEWS RELEASE

(All figures are in United States dollars)

Centerra Gold Political Update

TORONTO, CANADA – October 22, 2007 – Centerra Gold Inc. (TSX: CG) announced today that the President of the Kyrgyz Republic has issued a decree dismissing the Kyrgyz Parliament effective today. New elections will be scheduled by the Central Committee for Elections and Referendums. According to media reports, the dismissal resulted from differences between Parliament and the judicial branch over constitutional matters.

Approval by the Parliament was one of the conditions set out in the Company's previously announced agreement with the Government of the Kyrgyz Republic concerning the Kumtor Project (August 30, 2007). The agreement had been approved by the Government, which placed it before Parliament, but Parliament did not vote on it prior to its dismissal. While the dismissal of Parliament will likely delay the completion of the transactions, the terms of the transactions are not affected. The Company will provide a further update in its third quarter release next week.

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.

Cautionary Note Regarding 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; 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; 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.

For further information, please contact:

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