



NEWS RELEASE

CENTERRA REPORTS ILLEGAL WORK STOPPAGE AT THE KUMTOR MINE

Toronto, Canada, December 19, 2006: Centerra Gold announced today that the mine department and some support services personnel have begun an illegal work stoppage at the Kumtor mine site. Milling operations are continuing utilizing ore stockpiles. This illegal action relates to the negotiations on the renewal of the current labour contract, which expires on December 31 of this year. The Krygyz Minister of Labour had previously issued a letter to the Kumtor workforce indicating that under Kyrgyz legislation any work stoppage would be illegal. Meetings are scheduled between the work force, Trade Union, Kumtor management and the government to resolve the matter.

Further updates will be provided as information becomes available.

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, 2005, 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. 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.

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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

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