



NEWS RELEASE

(All figures are in United States dollars)

Centerra Gold Announces Feasibility Study at Gatsuurt Deposit with Production Anticipated in Late 2007

Resource Base Now at 1.3 Million Ounces of Contained Gold

Toronto, Canada, April 29, 2005: Centerra Gold Inc. (TSX: CG) today announced the addition of 387,000 ounces of indicated resources at its 100%-owned Gatsuurt deposit in Mongolia. The updated estimate now stands at 11.3 million tonnes at an average grade of 3.5 grams per tonne (“g/t”) gold for a total of 1,277,000 ounces of contained gold. Additional inferred resources are estimated at 2.2 million tonnes at an average grade of 3.0 g/t gold for a total of 210,000 ounces of contained gold.

As a result of the expansion of the deposit and encouraging metallurgical testwork, Centerra’s Board of Directors approved the initiation of a feasibility study on the development of the project. The study is scheduled to begin in May 2005 and be completed before the 2005 year-end. The Gatsuurt deposit is 35 kilometres southeast of Centerra’s Boroo mine, which went into commercial production in 2004.

“The Gatsuurt deposit continues to show excellent promise,” said Len Homeniuk, President and CEO. “We are confident that the feasibility study will confirm our belief that this deposit can support another stand-alone operation similar in size to our Boroo mine. If so, the mine could be developed quickly as it would benefit from the existing Boroo infrastructure and our knowledge of the area. Gatsuurt could be in operation within two years of the results of the feasibility study.

We look forward to expanding our operations in Mongolia as the country continues to provide an excellent mining environment.”

The expansion of the deposit resulted from an additional 52 drill holes being completed and added to the database and the use of a lower cutoff grade and higher cutting levels for high grade samples. The new estimate used a 1.6 g/t gold cutoff grade and cutting high-grade composites to values varying from 30 g/t gold to 45 g/t gold depending on the mineralized zone.

Background

A technical report, in compliance with National Instrument 43-101 of the Canadian Securities Administrators (“NI 43-101”) and dated January 27, 2005, was prepared for the Gatsuurt gold deposit by Roscoe Postle Associates Inc. (“RPA”) and is available on the System for Electronic Document Analysis and Retrieval (“SEDAR”) at www.sedar.com. Included in the technical report is a resource estimate for the Gatsuurt deposit prepared by RPA using the drill holes that were completed as of November 17, 2004. At a 2.0 g/t gold cutoff grade and cutting high-grade assays to 25 g/t gold, the indicated resources were estimated to be 8.1 million tonnes at an average grade of 3.4 g/t gold for a total of 890,000 ounces of contained gold. Additional inferred resources were estimated at 1.5 million tonnes at an average grade of 3.1 g/t gold for a total of 152,000 ounces of contained gold. This estimate is disclosed and discussed in a Centerra news release dated January 27, 2005 which is available on SEDAR.

The drilling program continued at the Gatsuurt deposit until mid-January, 2005, resulting in an additional 52 drill holes being completed and added to the database. A new resource model was prepared by Centerra staff using three different shells to partition the deposit into three mineralized populations to reflect different grade ranges. Ordinary kriging was used to interpolate block grades within each shell.

Sample preparation, analytical technique and quality assurance-quality control protocols used during the drilling programs are similar to those previously used and described in RPA’s report.

Additional metallurgical test work is in progress and further exploration drilling intended to expand the resource base will be completed during 2005.

The resources estimated as at March 31, 2005 were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and NI 43-101. The estimate was prepared using a gold price of US\$375 per ounce of gold.

The new drilling results were reviewed, verified and compiled, and the new resource estimate was prepared by, Centerra’s geological and mining engineering staff under the supervision of Robert S. Chapman, P. Geo., Centerra’s Vice President, Exploration and Technical Director Mergers & Acquisitions, who is a Qualified Person for the purpose of NI 43-101.

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.

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 are expected to produce 790,000 ounces in 2005 at a total cash cost of about \$229 per ounce. This ranks Centerra as a leading North American 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 (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.

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