

centerra**GOLD**



NEWS RELEASE

Centerra Gold Announces Closing of New Kumtor Agreement

(All figures are in United States dollars)

TORONTO, CANADA – June 11, 2009 – Centerra Gold Inc. (TSX: CG) announced today the closing of all transactions under the Agreement on New Terms between Centerra, the government of the Kyrgyz Republic and Cameco Corporation, the details of which were disclosed by the Company on April 24, 2009.

Stephen Lang, Centerra President and Chief Executive Officer commented, “As previously announced, the Agreement on New Terms resolves all outstanding issues with respect to the Kumtor Project and provides additional certainty for continuing operations and future development of the project. This is the first time the Kumtor arrangements have been voted on or approved by Parliament. With the stability brought to Centerra by the new agreement, the Company has increased its investment in exploration and development at the Kumtor site to further define the potential of the Kumtor deposit.”

All the conditions to closing have been now been satisfied, including parliamentary approval, the execution of binding project agreements, regulatory approvals and the termination of, all proceedings in the Kyrgyz courts and in international arbitration with respect to the Kumtor Project.

The Company confirms that as part of the closing, it issued from treasury 18,232,615 common shares of Centerra to the government of the Kyrgyz Republic, which brings Centerra’s total issued and outstanding shares to 234,772,566. As well, Cameco has agreed to transfer to the government between 14.1 and 25.3 million common shares of Centerra, which are to be released to the government upon satisfaction of certain conditions. Until that time Cameco retains voting control over approximately 52.7% of the issued and outstanding shares of Centerra.

Cautionary Note Regarding Forward-looking Information

This news release contains forward-looking information. 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.

Risk factors affecting Centerra and the Kumtor Project are discussed under the heading “Cautionary Note Regarding Forward-looking Information and “Risk Factors” in the Company’s most recently filed Annual Information Form and Annual Report and Management’s Discussion and Analysis for the financial year ended December 31, 2008, available on SEDAR at www.sedar.com. 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.

About Centerra

Centerra is a growth-oriented, gold Company focused on acquiring, exploring, developing and operating gold properties primarily in 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.

For further information, please contact:

John W. Pearson
Vice President, Investor Relations
Centerra Gold Inc.
416-204-1241
www.centerragold.com

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