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NEWS RELEASE

Centerra Comments on Non-Binding Kyrgyz Parliamentary Resolution

This news release contains forward-looking information that is subject to the risk factors and assumptions set out in our Cautionary Note Regarding Forward-looking Information on page 2.

Toronto, Canada, June 27, 2012: Centerra Gold Inc. (TSX: CG) reported that the Kyrgyz Parliament issued a resolution today concerning Centerra's Kumtor project. The resolution relates to a report released on June 18, 2012 by a Parliamentary Commission established to review Kumtor's compliance with relevant operational, environmental, health and safety and community standards.

The resolution calls for the creation of a state commission to conduct a comprehensive and impartial examination of the parliamentary report and its conclusions, and to initiate revisions to the 2009 agreements governing the project (the New Agreements) that would impact the relevant concession area, tax regime, local operating company management structure and other matters, although the resolution does not contain any specifics regarding any such proposals. The resolution also calls upon the Government (or relevant state agency) to revoke government decrees and licenses in relation to the project. The Parliament voted to reject an alternative resolution that called for the Government to take steps toward nationalization of the Kumtor project.

Centerra believes the resolution is not legally binding on the Kyrgyz Government and that the Government (and relevant state agency) cannot revoke its decrees and licenses without meeting the relevant criteria for revocation set out under applicable law.

Centerra's President and CEO, Ian Atkinson, commented: "As I have stated previously, Centerra believes that the parliamentary report's findings are without merit. Kumtor has operated in full compliance with Kyrgyz and international standards and this has been proven over the years in systematic audits by Kyrgyz and international experts. We also have a long history of constructive dialogue with the Government and look forward to continuing that dialogue to resolve any outstanding concerns. We believe, however, that any discussion of the Kumtor project must take into account existing legal obligations and binding commitments. In particular, the Kyrgyz Government undertook a number of legal obligations and binding commitments in the New Agreements, which were approved by all relevant Kyrgyz governmental authorities, including the Kyrgyz Parliament and the Constitutional Court. These agreements form a solid foundation for the successful operation of the project, and enabled Centerra to make significant new investments in Kumtor. Centerra has confidence in the continuing validity of the New Agreements, which provide as well for disputes concerning the project to be resolved by international arbitration, if necessary."

About Centerra

Centerra Gold Inc. is a gold mining company focused on operating, developing, exploring and acquiring gold properties primarily in Asia, the former Soviet Union and other emerging markets worldwide. Centerra is the largest Western-based gold producer in Central Asia. Centerra's shares trade on the Toronto Stock Exchange (TSX) under the symbol CG. The Company is based in Toronto, Ontario, Canada.

Additional information on Centerra is available on the Company's website at www.centerragold.com and at SEDAR at www.sedar.com.

Cautionary Note Regarding Forward-looking Information

Information contained in this news release which is not statements of historical facts, and the documents incorporated by reference herein, may be "forward looking information" for the purposes of Canadian securities laws. Such forward looking information involves 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 information. The words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intends", "continue", "budget", "estimate", "may", "will", "schedule" and similar expressions identify forward-looking information. These forward-looking statements relate to, among other things, the outcome of the discussions being held at the Kyrgyz Parliament regarding the report, actions of the Kyrgyz Government in response to the Parliamentary resolution, and the action of the proposed state commission and relevant agencies.

Forward-looking information is necessarily based upon a number of estimates and assumptions that, while considered reasonable by Centerra, are inherently subject to significant political, business, economic and competitive uncertainties and contingencies. Such factors include, among other things: the sensitivity of the Centerra's business to the volatility of gold prices; the political risks associated with Centerra's principal operations in the Kyrgyz Republic; the impact of changes in, or to the more aggressive enforcement of, laws, regulations and government practices in the jurisdictions in which Centerra operates, and such other factors as described under the heading "Risk Factors" in Centerra's annual information form for the year ended December 31, 2011 available at www.sedar.com.

There can be no assurances that forward looking information and statements will prove to be accurate, as many factors and future events, both known and unknown could cause actual results, performance or achievements to vary or differ materially, from the results, performance or achievements that are or may be expressed or implied by such forward looking statements contained herein or incorporated by reference. Accordingly, all such factors should be considered carefully when making decisions with respect to Centerra, and prospective investors should not place undue reliance on forward looking information. Forward looking information is as of June 27, 2012. Centerra assumes no obligation to update or revise forward looking information to reflect changes in

assumptions, changes in circumstances or any other events affecting such forward looking information, except as required by applicable law.

For more information:

John W. Pearson
Vice President, Investor Relations
(416) 204-1241
john.pearson@centerragold.com

Ian Atkinson
President & CEO
(416) 204-1959
ian.atkinson@centerragold.com

Jeffrey Parr
Vice President & Chief Financial Officer
(416) 204-1369
jeff.parr@centerragold.com

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