

centerra**GOLD**



**NEWS RELEASE**

**CENTERRA GOLD RESPONDS TO KYRGYZ MEDIA REPORTS  
ON THE KUMTOR PROJECT**

*This news release contains forward-looking information that is subject to the risk factors and assumptions set out on page 2 under the heading, “Cautionary Note Regarding Forward-looking Information”.*

**Toronto, Canada, January 25, 2013:** Centerra Gold Inc. (TSX: CG) responds to media reports in the Kyrgyz Republic regarding the Kumtor Project. Based on such media reports, the Company understands that at a Government meeting held on January 24, 2013, Prime Minister Mr. J. Satybaldiyev, and Minister of the Economy, Mr. T.A. Sariev, made public statements endorsing certain recommendations of the State Commission formed to investigate the Kumtor Project (see Centerra’s news release dated November 7, 2012 for information regarding the State Commission). According to the media reports, Mr. Sariev, who is also the Chair of the State Commission, called on the Government of the Kyrgyz Republic to open negotiations on the terms under which the Kumtor Project is governed, with a view to requiring it to accept a new tax regime and pay higher environmental charges. Prime Minister Satybaldiyev is also reported to have confirmed that the Government does not intend to nationalize the Kumtor Project and to have indicated a desire to have further discussions with the Company.

Centerra expects to continue discussions with the Government of the Kyrgyz Republic, with the objective of resolving matters through constructive dialogue. There can be no assurance, however, that this will be the case. Centerra notes that any discussion of the Kumtor Project must take into account existing legal obligations and binding commitments. In particular, the Kumtor Project is governed by project agreements signed in June 2009, including the restated investment agreement (collectively, the “Project Agreements”), which provides for a specified tax regime to apply to all Kumtor activities. The Project Agreements were approved by all relevant Kyrgyz Republic government authorities in 2009, including the Kyrgyz Republic Government and Parliament, and are the subject matter of a legal opinion issued by the Kyrgyz Republic Ministry of Justice and a decision by the Kyrgyz Republic Constitutional Court. Centerra has confidence in the continuing validity of the Project Agreements, which provide as well for disputes concerning the project to be resolved by international arbitration, if necessary.

The Kumtor mine continues to operate according to plan.

### **Cautionary Note Regarding Forward-looking Information**

This news release and the documents referred to herein contain statements which are not statements of current or historical facts and are “forward-looking information” within the meaning of applicable 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. Wherever possible, words such as “believe”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “intends”, “continue”, “budget”, “forecast”, “projections”, “estimate”, “may”, “will”, “schedule”, “potential”, “strategy” and other similar expressions have been used to identify forward-looking information.

These forward-looking statements relate to, among other things, the activities of the Kyrgyz Republic Government with respect to the State Commission report, Centerra’s expectations regarding constructive dialogue with the Prime Minister of the Kyrgyz Republic and the Company’s ability to resolve matters relating to the State Commission report without material adverse consequences to the Company’s operations.

Although the forward-looking information in this news release reflects Centerra’s current beliefs as of the date of this news release based on information currently available to management and based upon what management believes to be reasonable assumptions, Centerra cannot be certain that actual results, performance, achievements, prospects and opportunities, either expressed or implied will be consistent with such forward-looking information. 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. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking information.

Other factors that could cause actual results or events to differ materially from current expectations include, among other things: political risks in the Kyrgyz Republic, the Company’s ability to enforce its legal rights, the sensitivity of Centerra’s business to the volatility of gold and base metal prices; risks associated with having a significant shareholder, and risks relating to Centerra directors having conflicts of interests. There may be other factors that cause results, assumptions, performance, achievements, prospects or opportunities in future periods not to be as anticipated, estimated or intended. See “Risk Factors” in the Company’s most recently filed Annual Information Form available on SEDAR at [www.sedar.com](http://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 in this news release. 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 January 25, 2013. 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.

**About Centerra**

Centerra 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 a leading North American-based gold producer and 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 headquartered in Toronto, Ontario, Canada.

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**Additional information on Centerra is available on the Company's web site at [www.centerragold.com](http://www.centerragold.com) and at SEDAR at [www.sedar.com](http://www.sedar.com).**

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