

centerra**GOLD**



NEWS RELEASE

Centerra Comments on the Report of a Kyrgyz Parliamentary Commission and Parliamentary Discussions

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

Toronto, Canada, June 22, 2012: Centerra Gold Inc. (TSX: CG) announced that the Kyrgyz Parliament held a session today to discuss a report released on June 18, 2012 by a Parliamentary Commission regarding Centerra's Kumtor gold project. The Commission was established to review Kumtor's compliance with relevant operational, environmental, health and safety and community standards.

Centerra's President and CEO, Ian Atkinson, commented: "The report is more than 300 pages and we have not yet completed our detailed review. The report makes a number of allegations including claims of substantial environmental damage by Kumtor. Judging from its summary conclusions, however, Centerra believes that the report's findings are without merit."

"The Kumtor project has been operating without interruption since 1997. The project is in full compliance with Kyrgyz laws, meets or exceeds Kyrgyz and international environmental, safety and health standards, and serves as a model for other mining projects in the Kyrgyz Republic and internationally. It has been the subject of systematic compliance audits by both Kyrgyz and international experts, who have confirmed its high level of performance."

The Kyrgyz Parliament is continuing today to discuss the report. Centerra is not able at this time to comment on the likely outcome of those discussions but will do so as and when appropriate.

In 2009, Centerra, Kumtor and the Kyrgyz Republic signed comprehensive agreements governing all aspects of the project (the New Agreements). The New Agreements were approved by all relevant Kyrgyz governmental authorities, including the Kyrgyz Parliament and the Constitutional Court, and form a solid foundation for the successful operation of the project.

Kumtor is a significant employer and tax-payer in the Kyrgyz Republic and a key contributor to the Kyrgyz economy generally. The company has benefited from a close and constructive dialogue with the Kyrgyz authorities over many years and remains committed to continuing to work with them to resolve any issues in accordance the New Agreements.

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, the review process by Centerra of the report and the discussions to be held with the Kyrgyz Republic Parliament thereon.

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 22, 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.

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