

centerra**GOLD**



NEWS RELEASE

Centerra Gold, Initial Oksut Project Resource Estimate and Reserve and Resource Update

Total Gold Reserves 11 million Contained Ounces

This news release contains forward-looking information that is subject to the risk factors and assumptions set out on page 12 and in our Cautionary Note Regarding Forward-looking Information on page 14. All figures are in United States dollars.

Toronto, Canada, February 7, 2013: Centerra Gold Inc. (TSX: CG) today issued updated 2012 year-end estimates for the Company's reserves and resources and a fourth quarter 2012 exploration update. The updated reserves and resources are based on the new Kumtor KS-13 open pit mine expansion (announced November 7, 2012) and the Company's successful 2012 exploration programs.

Highlights (using \$1,350/oz. gold price for reserve estimation):

- At Centerra's 100% owned Oksut project in Turkey, a new resource estimate of 682,000 contained gold ounces of indicated resources and 477,000 contained gold ounces of inferred resources has been outlined as a result of the successful drilling in 2012.
- Exploration drilling at the Kumtor project in 2012 has further increased both open pit and potential underground mineral resources below the KS-13 pit design.
- As a result of the KS-13 open pit expansion, first announced on November 7th, 2012, the Kumtor proven and probable reserves (as of December 31, 2012) have increased by 58% or 3.6 million contained ounces of gold compared to 6.3 million ounces of gold as of December 31, 2011 and now total 9.5 million contained ounces of gold.

During 2012, Centerra's proven and probable gold reserves increased by 3.6 million contained ounces (before accounting for 2012 production) to 11.1 million ounces of contained gold, compared to 8.1 million ounces as of December 31, 2011. This represents an increase of 45% before accounting for 534,000 contained ounces processed at Kumtor and Boroo during 2012. The total reserve increase is the result of the significant expansion of the Kumtor Central Pit and is described in detail in a new NI 43-101 technical report filed on SEDAR in December 2012. All 2012 year-end reserves were estimated using a gold price of \$1,350 per ounce compared to \$1,200 per ounce at December 31, 2011.

In Mongolia, at the Boroo mine, proven and probable reserves total 178,000 contained ounces of gold after accounting for approximately 110,000 contained ounces being processed in the mill and or loaded on the heap leach pad in 2012. The remaining reserves are now entirely within existing ore stockpiles on surface. At the current reserve gold price assumption, the Boroo operation can continue to feed the mill from stockpiles for approximately two more years and operate and recover gold from the heap leach pad into 2014. At the Gatsuurt project, proven and probable reserves remain unchanged at 1.5 million ounces of contained gold.

The initial resource estimate for the 100% owned Oksut project in Turkey has an indicated resource of 682,000 ounces of contained gold and an inferred resource of 477,000 ounces of contained gold. The estimated resource is contained in two zones. The Ortacam North Zone has an indicated resource of 682,000 ounces of contained gold and an inferred resource of 353,000 ounces of contained gold. The Ortacam Zone has an inferred resource of 124,000 ounces of contained gold.

Ian Atkinson, President and CEO of Centerra Gold said: “2012 was another successful year for Centerra, increasing our reserve and resource base to over 16 million contained ounces of gold, which does not include the 4 million contained ounces of gold in the inferred category. In 2012, we more than replaced reserves mined at Kumtor with the new KS-13 life-of-mine plan and generated our initial resource at our 100% owned Oksut deposit in Turkey.”

Year-end Reserves and Resources

Reserves

During 2012, Centerra’s proven and probable gold reserves increased by 3.6 million contained ounces (before accounting for 2012 production) to 11.1 million ounces of contained gold, compared to 8.1 million ounces as of December 31, 2011. This represents an increase of 45% before accounting for 534,000 contained ounces processed at Kumtor and Boroo during 2012. The total reserve increase is the result of the significant expansion of the Kumtor Central Pit and is described in detail in a new NI 43-101 technical report filed on SEDAR in December 2012. All 2012 year-end reserves were estimated using a gold price of \$1,350 per ounce compared to \$1,200 per ounce at December 31, 2011.

For the 2012 Kumtor year-end reserve statement in this news release, the KS-13 model has been updated from the reserve estimate completed and published at the end of September 2012 by the addition of 17 diamond drill holes and accounting for the gold production and mine reconciliation completed during the last quarter of 2012.

In Mongolia, at the Boroo mine, proven and probable reserves total 178,000 contained ounces of gold after accounting for approximately 110,000 contained ounces being processed in the mill and or loaded on the heap leach pad in 2012. The remaining reserves are now entirely within existing ore stockpiles on surface. At the current reserve gold price assumption, the Boroo operation can continue to feed the mill from stockpiles for approximately two more years and operate and recover gold from the heap leach pad into 2014. At the Gatsuurt project, proven and probable reserves remain unchanged at 1.5 million ounces of contained gold.

Resources

As of December 31, 2012, Centerra's measured and indicated resources decreased by 23% or 1.5 million ounces over the December 31, 2011 figures to total 5.1 million ounces of contained gold, compared to 6.6 million contained ounces as of December 31, 2011. The majority of this decrease is a result of the conversion of previously outlined Kumtor Central Pit measured and indicated open pit resources into mineral reserves as a result of the KS-13 Pit expansion. This conversion of resources to reserves has been offset by increased resources at Kumtor described below and the addition of 682,000 contained ounces of new indicated resources at the Oksut project.

As of December 31, 2012, Centerra's inferred resources increased by 22,000 contained ounces over the December 31, 2011 figures to total 4.1 million ounces of contained gold, the conversion of Kumtor underground resources into reserves within the KS-13 expanded pit was offset by new high grade resources outlined below the KS-13 pit design and the addition of 477,000 contained ounces of new inferred resources at the Oksut project.

At Kumtor, as of December 31, 2012, measured and indicated resources total 2.7 million ounces of contained gold, compared to 4.8 million contained ounces as of December 31, 2011. The decrease of 2.1 million ounces is largely attributable to the significant conversion of resources to reserves as a result of the expanded Central Pit at Kumtor. The expansion of the open pit converted approximately 2.0 million ounces of contained gold of measured and indicated open pit resources to reserves. Exploration drilling in 2012 added 400,000 ounces of contained gold to measured and indicated resources and 21,000 ounces of contained gold of the inferred open pit resources were upgraded to measured and indicated resources. These increases in the measured and indicated open pit resources were offset by a reduction of 678,000 ounces of contained gold because of the smaller resource limiting shell used for resource estimation.

In addition, as a result of detailed delineation drilling completed in the underground Stockwork Zone in 2012, 121,000 ounces of contained gold were upgraded from the inferred category to high-grade underground Stockwork Zone indicated resources.

Kumtor's inferred resources decreased by 437,000 contained ounces of gold from 2011 year-end, to total 2.7 million contained ounces of gold at December 31, 2012, which includes 1.9 million contained ounces of high-grade underground inferred resources in the SB and Stockwork Zones. The inferred resources in the high-grade underground SB Zone decreased by 0.5 million contained ounces to 1.2 million contained ounces of gold with an average grade of 11.2 g/t. This reduction is the result of the expansion of the Central Pit, which captured 1.2 million ounces of contained gold that were previously classified as part of the high-grade underground SB Zone inferred resources.

These inferred resources are now within the new open pit design and therefore, are included in the Central Pit as probable reserves. This reduction in inferred resources has been partially offset by the positive exploration results in 2012 including 17 additional diamond drill holes completed in the fourth quarter of 2012 after the KS-13 resource estimate was announced in November 2012. These holes have extended the SB Zone to the southwest and northeast adding 651,000 contained ounces of gold to the high-grade underground SB Zone inferred resource, which remains open at depth.

In addition, the high-grade underground Stockwork Zone inferred resource increased by 76,000 ounces of contained gold to 705,000 ounces of contained gold with an average grade of 11.0 g/t. Underground drilling in the Stockwork Zone added 168,000 contained ounces of gold to the inferred resources which was partially offset by the conversion of 121,000 contained ounces of gold to high grade Stockwork Zone indicated resources with an average grade of 10.7 g/t.

At the 100% owned Oksut project in Turkey, Centerra calculated its initial resource estimate based on the successful 2012 drilling program. As of December 31, 2012, the Oksut project has an indicated resource of 682,000 ounces of contained gold and an inferred resource of 477,000 ounces of contained gold. The resource estimation is contained in two zones; the Ortacam North Zone which has an indicated resource of 682,000 ounces of contained gold and an inferred resource of 353,000 ounces of contained gold and the Ortacam Zone which has an inferred resource of 124,000 ounces of contained gold.

The initial Oksut indicated and inferred resource estimate includes only oxide mineralization and is based upon 52 drill holes in the Ortacam North Zone and 21 drill holes in the Ortacam Zone. The resource estimate is contained within a preliminary whittle shell using a cut-off grade of 0.2 g/t and raw assays were top-cut to 15 g/t before compositing.

At the ATO project in Mongolia, measured and indicated contained gold, resources have decreased by 53,000 contained ounces of gold from 2011 year-end, to a total of 771,000 contained ounces of gold at December 31, 2012. Extensive metallurgical testwork completed in 2012 has resulted in revised lower process recovery and net smelter return assumptions for the sulphide mineralization which has lowered the contained gold resources. This has also decreased the corresponding contained silver, lead and zinc resources. Some of the decrease has been offset by increased recovery assumptions for the oxide mineralization and the addition of 50 new exploration drill holes completed in 2012.

Inferred resources at ATO have also decreased by 18,000 contained ounces of gold from 2011 year-end, to a total of 8,000 contained ounces of gold at December 31, 2012 as a result of the same factors outlined above.

2012 year-end resource estimates on the Boroo, Gatsuurt, Ulan Bulag properties in Mongolia and Kara Beldyr property in Russia remain unchanged from those outlined at the end of 2011.

Table 1
Centerra Gold Inc.
2012 Year-end Gold Reserve and Resource Summary
(as of December 31, 2012)

Gold Mineral Reserves^{(1) (3) (13) (14)} (tonnes and ounces in thousands)									
Property⁽³⁾	Proven			Probable			Total Proven and Probable		
	Tonnes	Grade (g/t)	Contained Gold (oz)	Tonnes	Grade (g/t)	Contained Gold (oz)	Tonnes	Grade (g/t)	Contained Gold (oz)
Kumtor ⁽⁵⁾	3,149	1.9	196	88,371	3.3	9,270	91,520	3.2	9,466
Boroo ⁽⁷⁾	7,196	0.8	178				7,196	0.8	178
Gatsuurt ^{(8) (16)}				16,349	2.8	1,489	16,349	2.8	1,489
Total	10,345	1.1	374	104,720	3.2	10,759	115,065	3.0	11,133
Gold Measured and Indicated Mineral Resources^{(2) (3) (13) (14)} (tonnes and ounces in thousands)									
Property⁽³⁾	Measured			Indicated			Total Measured and Indicated		
	Tonnes	Grade (g/t)	Contained Gold (oz)	Tonnes	Grade (g/t)	Contained Gold (oz)	Tonnes	Grade (g/t)	Contained Gold (oz)
Kumtor Open Pit ^{(4) (5)}	21,975	2.3	1,631	12,113	2.3	898	34,088	2.3	2,529
Kumtor Stockwork Underground ⁽⁶⁾				351	10.7	121	351	10.7	121
Boroo ^{(4) (7)}	452	2.2	32	4,464	1.5	210	4,916	1.5	242
Gatsuurt ^{(4) (8) (16)}				5,533	2.4	426	5,533	2.4	426
Ulaan Bulag ⁽⁹⁾				1,555	1.5	73	1,555	1.5	73
ATO ⁽¹⁰⁾	9,663	1.5	465	8,920	1.1	306	18,583	1.3	771
Kara Beldyr ⁽¹¹⁾				3,790	2.4	289	3,790	2.4	289
Oksut ⁽¹²⁾				15,404	1.4	682	15,404	1.4	682
Total	32,090	2.1	2,128	52,130	1.8	3,005	84,220	1.9	5,133
Gold Inferred Mineral Resources^{(2) (3) (13) (14) (15)} (tonnes and ounces in thousands)									
Property⁽³⁾	Tonnes	Grade (g/t)	Contained Gold (oz)						
	Tonnes	Grade (g/t)	Contained Gold (oz)						
Kumtor Open Pit ^{(4) (5)}	9,339	2.4	712						
Kumtor Stockwork Underground ⁽⁶⁾	2,002	11.0	705						
Kumtor SB Zone UG ⁽⁶⁾	3,413	11.2	1,229						
Boroo ^{(4) (7)}	7,323	1.0	235						
Gatsuurt ^{(4) (8) (16)}	5,926	2.6	491						
Ulaan Bulag ⁽⁹⁾	315	1.3	13						
ATO ⁽¹⁰⁾	386	0.7	8						
Kara Beldyr ⁽¹¹⁾	3,354	2.0	211						
Oksut ⁽¹²⁾	14,009	1.1	477						
Total	46,067	2.8	4,081						

- (1) The mineral reserves have been estimated based on a gold price of \$1,350 per ounce.
- (2) Mineral resources are in addition to reserves. Mineral resources do not have demonstrated economic viability.
- (3) Centerra's equity interests as of this news release are: Kumtor 100%, Gatsuurt 100%, Boroo 100%, Ulaan Bulag 100%, ATO 100%, Oksut 100% and Kara Beldyr 70%. All contained ounces in table above are shown on a 100% basis.
- (4) Open pit resources occur outside the current ultimate pits which have been designed using a gold price of \$1,350 per ounce.
- (5) The open pit reserves and resources at Kumtor are estimated based on a cut-off grade of 0.85 gram of gold per tonne for the Central Pit and 1.0 grams of gold per tonne for the Southwest, Sarytor and Northeast deposits.
- (6) Underground resources occur below the Central pit and are estimated based on a cut-off grade of 6.0 grams of gold per tonne.
- (7) The open pit reserves and resources at Boroo are estimated based on a 0.5 gram of gold per tonne cut-off grade.
- (8) The open pit reserves and resources at Gatsuurt are estimated using either a 1.2, 1.4 or 1.5 grams of gold per tonne cut-off grade depending on ore type and process method and include the Central Zone and Main Zone deposits.
- (9) The open pit resources at Ulaan Bulag are estimated on a cut-off grade of 0.8, 0.9 or 1.0 grams of gold per tonne depending on ore type and process method.
- (10) The ATO open pit resources are estimated based on a Net Smelter Return (NSR) cut-off grade of \$6.50 NSR per tonne for oxide mineralization and \$25.50 NSR per tonne for sulphide mineralization.
- (11) The open pit resources at Kara Beldyr are estimated based on a 1.0 gram of gold per tonne cut-off grade and the contained ounces are shown on a 100% basis.
- (12) The Open pit resources at Oksut are estimated based on a 0.2 gram of gold per tonne cut-off grade.
- (13) A conversion factor of 31.10348 grams per ounce of gold is used in the reserve and resource estimates.
- (14) Numbers may not add up due to rounding.
- (15) Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically. It cannot be assumed that all or part of the inferred resources will ever be upgraded to a higher category.
- (16) In July 2009, the Mongolian Parliament enacted legislation that would prohibit mineral prospecting, exploration and mining in water basins and forest areas in the territory of Mongolia and provides for the revocation of mining and exploration licenses affecting such areas. The legislation exempts any "mineral deposit of strategic significance". If the legislation is not repealed or amended or if Gatsuurt is not designated as a "mineral deposit of strategic importance" that is exempt from this legislation, mineral reserves at Gatsuurt may have to be reclassified as mineral resources or eliminated entirely.

Table 1 (cont.)
2012 Year-End Polymetallic Resource Summary
(as of December 31, 2012)

Category	Tonnes (000's)	Gold Grade (g/t)	Contained Gold ⁽²²⁾ (oz 000's)	Silver Grade (g/t)	Contained Silver (oz 000's)	Lead Grade (%)	Contained Lead (lb 000's)	Zinc Grade (%)	Contained Zinc (lb 000's)
ATO Project ^{(17) (18) (19) (20) (21) (23) (24)}									
Oxide Mineral Resources (> \$6.50 NSR cut-off Grade)									
Measured Resources	3,677	1.3	148	8.5	1,010				
Indicated Resources	3,294	0.7	78	7.2	758				
Measured and Indicated	6,971	1.0	226	7.9	1,768				
Inferred Resources ⁽¹⁹⁾	87	0.8	2	4.9	14				
Sulphide Mineral Resources (> \$25.50 NSR cut-off Grade)									
Measured Resources	5,986	1.7	318	8.02	1,543	0.979	129,197	1.704	224,874
Indicated Resources	5,626	1.3	228	8.52	1,541	0.803	99,598	1.447	179,474
Measured and Indicated	11,612	1.5	545	8.26	3,085	0.894	228,795	1.579	404,349
Inferred Resources ⁽¹⁹⁾	299	0.6	6	5.78	56	1.025	6,757	2.306	15,201

- (17) Mineral resources have been estimated on the following metal prices (gold \$1,350 per ounce), (silver \$20 per ounce), (lead \$ 0.87 per lb), (zinc \$0.87 per lb).
- (18) Mineral resources do not have demonstrated economic viability.
- (19) Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically. It cannot be assumed that all or part of the inferred resources will ever be upgraded to a higher category.
- (20) Centerra's equity interest in the ATO project is 100%.
- (21) Numbers may not add up due to rounding.
- (22) The contained gold resources have also been included in Centerra's 2012 Year-end Gold Reserve and Resource Summary.
- (23) The ATO resources are estimated based on a Net Smelter Return cut-off grade of \$6.50 NSR per tonne for oxide mineralization and \$25.50 NSR per tonne for sulphide mineralization.
- (24) Variables used to calculate NSR values include:
Oxide total recovery of gold=69.8%
Oxide total recovery of Silver=56.7%
Sulphide Net Smelter Return total recovery of gold=59.9%
Sulphide Net Smelter Return total recovery of silver=48.5%
Sulphide Net Smelter Return total recovery of lead=42.6%
Sulphide Net Smelter Return total recovery of zinc=27.7%
Payable royalty on total recovered gold=10.0%
Payable royalty on total recovered silver=6.75%
Payable royalty on total recovered lead=6.75%

Table 2
Centerra Gold Inc.
Reconciliation of Gold Reserves and Resources
(in thousands of ounces of contained gold) ^{(4) (8) (9)}

	December 31 2011 ⁽¹⁾	2012 Throughput ⁽²⁾	2012 Addition (Deletion) ⁽³⁾	December 31 2012
Gold Proven and Probable Mineral Reserves				
Kumtor ⁽⁵⁾	6,278	424	3,612	9,466
Boroo	298	110	(10)	178
Gatsuurt ⁽⁷⁾⁽¹¹⁾	1,489	0	0	1,489
Total Proven and Probable Reserves	8,065	534	3,602	11,133
Gold Measured and Indicated Mineral Resources				
Kumtor ⁽⁶⁾	4,799	0	(2,270)	2,529
Kumtor Stockwork Underground	0	0	121	121
Boroo	242	0	0	242
Gatsuurt ⁽⁷⁾⁽¹¹⁾	426	0	0	426
Ulaan Bulag	73	0	0	73
ATO	824	0	(53)	771
Kara Beldyr	289	0	0	289
Oksut	0	0	682	682
Total Measured & Indicated Resources	6,653	0	(1,520)	5,133
Gold Inferred Mineral Resources ⁽¹⁰⁾				
Kumtor Open Pit ⁽⁶⁾	694	0	18	712
Kumtor Stockwork Underground	629	0	76	705
Kumtor SB Underground	1,760	0	(531)	1,229
Boroo	235	0	0	235
Gatsuurt ⁽⁷⁾⁽¹¹⁾	491	0	0	491
Ulaan Bulag	13	0	0	13
ATO	26	0	(18)	8
Kara Beldyr	211	0	0	211
Oksut	0	0	477	477
Total Inferred Resources	4,059	0	22	4,081

- (1) Reserves and resources as reported in Centerra's Annual Information Form filed in March 2012.
- (2) Corresponds to mill feed at Kumtor and mill feed or stacked ore on heap leach pad at Boroo.
- (3) Changes in reserves or resources, as applicable, are attributed to information provided by drilling and subsequent reclassification of reserves or resources, an increase in the gold price, changes in pit designs, reconciliation between the mill and the resource model, and changes to operating costs.
- (4) Centerra's equity interests as of this news release are as follows: Kumtor 100%, Gatsuurt 100%, Boroo 100%, Ulaan Bulag 100%, ATO 100%, Oksut 100% and Kara Beldyr 70%. Contained ounces are on a 100% basis in the table above at each property.
- (5) Kumtor open pit reserves include the Central Pit and the Southwest and Sarytor Deposits.
- (6) Kumtor open pit resources include the Central Pit, Southwest Deposit, Sarytor Deposit and Northeast Deposit.
- (7) Gatsuurt open pit reserves and resources include the Central Zone and Main Zone deposits.
- (8) Centerra reports reserves and resources separately. The amount of reported resources does not include those amounts identified as reserves.
- (9) Numbers may not add up due to rounding.
- (10) Inferred mineral resources have a great amount of uncertainty as to their existence and as to whether they can be mined economically. It cannot be assumed that all or part of the inferred resources will ever be upgraded to a higher category.
- (11) In July 2009, the Mongolian Parliament enacted legislation that would prohibit mineral prospecting, exploration and mining in water basins and forest areas in the territory of Mongolia and provides for the revocation of mining and exploration licenses affecting such areas. The legislation exempts any "mineral deposit of strategic significance". If the legislation is not repealed or amended or if Gatsuurt is not designated as a "mineral deposit of strategic importance" that is exempt from this legislation, mineral reserves at Gatsuurt may have to be reclassified as mineral resources or eliminated entirely.

Exploration Update

To view the graphics, maps/drill sections and complete drill results discussed in this news release, please visit the following link: <http://file.marketwire.com/release/CG-Map207.pdf> or visit the Company's web site at: www.centerragold.com.

Kyrgyz Republic

During the fourth quarter of 2012, exploration drilling programs continued in the Kumtor Central Pit and from Declines 1 and 2, infilling and testing for extensions to the SB Zone and the SW Extension of the Kumtor deposit.

Kumtor Pit

In the Central Pit, drilling focused on infilling and expanding portions of the SB and Southwest Extension Zones within and below the KS-13 pit design. Eleven holes were completed and another four holes were in progress at the end of the quarter.

Drilling results received in the quarter include a number of robust intercepts that largely infill the KS-13 reserve and the SB Underground inferred resource published on November 7, 2012. Better results include 6.8 g/t gold over 95.3 metres (including 14.0 g/t over 26.6 metres) in hole D1675 and 5.1 g/t gold over 75.4 metres in D1671. Both holes targeted the SB Zone on Section 18 and lie within the limits of the KS-13 pit design. Forty metres to the east on Section 22, holes D1674 intersected 10.1 g/t gold over 38.0 metres (including 21.2 g/t over 8.4 metres). D1674A, a re-drill of the ore zone from a wedge higher up in hole D1674, intersected 10.2 g/t gold over 63.0 metres (including 34.7 g/t over 3.9 metres and 20.7 g/t over 11.9 metres). These holes infill the SB Zone in the lower portion of the KS-13 pit. Another hole, D1682, intersected 5.8 g/t gold over 87.9 metres (including 11.8 g/t over 21.0 metres and 19.8 g/t over 4.0 metres) immediately below the KS-13 pit and within the SB Underground inferred resource.

Hole D1687, designed to test the SB Zone some 250 metres below the KS-13 pit bottom, intersected 4.4 g/t gold over 105.8 metres (including 15.0 g/t over 3.7 metres). It is an infill hole within the SB Underground inferred resource.

Hole D1681 intersected 12.4 g/t gold over 47.9 metres (including 26.8 g/t over 11.2 metres) on Section 26 near the bottom of the new KS-13 pit design. Forty metres further east on Section 30, hole D1690 intersected 8.3 g/t gold over 57.2 metres (including 16.6 g/t gold over 21.3 metres). This hole also lies within the KS-13 pit.

Further east on Section 38, hole D1692 intersected 6.0 g/t gold over 40.0 metres (including 15.1 g/t over 3.5 metres) and 5.8 g/t gold over 49.0 metres (including 13.1 g/t over 10.4 metres). Forty metres east on Section 42, hole D1672 intersected 8.9 g/t gold over 44.9 metres (including 37.3 g/t gold over 4.0 metres and 18.3 g/t over 4.1 metres) and 6.3 g/t gold over 9.7 metres (including 15.0 g/t over 3.3 metres) on Section 42. Both holes lie 150 to 200 metres below the KS-13 pit and have had a positive impact on year-end resource calculations.

All of these drilling results have been incorporated into the year-end resource update.

Exploration drilling will continue to infill and expand the SB Underground resource in 2013 subject to the availability of drill platforms in the Central Pit. Drilling is also planned for the western limits of the Southwest Extension of the SB Zone and for the Sarytor and Northeast deposits.

Decline Exploration

Nine exploration holes were drilled from Declines 1 and 2 to infill portions of the Southwest Extension and the SB Zones. Seven of the nine holes stopped short of their targeted depths due to difficult drilling conditions, but all nine holes intersected zones of gold mineralization. Better results include 40.7 g/t gold over 2.0 metres, 14.4 g/t gold over 5.0 metres and 5.2 g/t gold over 30.5 metres in hole UD1676 on Section -14 and 18.0 g/t gold over 2.0 metres and 10.4 g/t gold over 15.5 metres in UD1689 on Section -6. Further east on Section 6, hole UD1666 intersected 6.9 g/t gold over 22.6 metres (including 17.5 g/t over 5.5 metres). Also, on Section 6, hole UD1680 reported 3.8 g/t gold over 13.0 metres before it stopped short of completion due to drilling problems.

Two deep underground holes were drilled from Decline 2 to target deeper portions of the SB Zone that were inaccessible from the Central Pit. Hole UD1670 intersected 2.4 g/t gold over 55.2 metres before being abandoned, and hole UD1688 intersected 3.1 g/t gold over 49.9 metres (including 8.1 g/t gold over 3.2 metres) before also being abandoned for technical reasons.

True widths for the mineralized zones are typically from 70 to 95% of the stated intercept.

Underground drilling ended in November 2012, following the Company's decision to expand the Kumtor Central Pit and cease underground development activities.

Regional Exploration

No regional exploration activities took place during the quarter.

Mongolia

ATO Project

Thirty holes were completed on the ATO project during the fourth quarter of 2012. The holes were drilled to test for extensions to the current resource along the limits of the pipe-like bodies and in apparent feeder zones at depth. Better results from these 30 holes and from 26 holes completed in the prior quarter include:

ATO-208	1.3 g/t gold; 6.9 g/t silver; 1.5% lead and 3.1% zinc over 64.3 metres
ATO-211	1.9 g/t gold; 7.4 g/t silver and 1.7% lead over 13.5 metres 0.8 g/t gold; 3.7 g/t silver; 1.0% lead and 1.7% zinc over 57.8 metres
ATO-214	1.9 g/t gold; 6.4 g/t silver; 1.2% lead and 1.3% zinc over 9.8 metres
ATO-218	2.1 g/t gold; 41.6 g/t silver; 0.3% lead and 0.6% zinc over 95.9 metres
ATO-219	1.7 g/t gold; 4.2 g/t silver; 0.1% lead and 0.2% zinc over 17.4 metres
ATO-220	4.0 g/t gold; 10.8 g/t silver; 2.1% lead and 3.6% zinc over 21.0 metres
ATO-225	2.3 g/t gold; 2.2 g/t silver; 0.3% lead and 0.2% zinc over 17.6 metres
ATO-248	1.3 g/t gold; 3.9 g/t silver over 31.7 metres 2.1 g/t gold; 2.7 g/t silver; 0.7% lead and 1.1% zinc over 71.5 metres

True widths of the mineralized zones are from 50 to 90% of the stated interval.

Overall, drilling results close off mineralization on the west side of Pipes 1 and 2 and expand the eastern limits of Pipes 1 and 4. The drilling also extends mineralization at depth, where precious metal values decrease and base-metal values increase. These drilling results have been included in the 2012 year-end resource update for ATO.

Russia

Kara Beldyr Joint Venture

Eleven holes were drilled at Camp Zone during the fourth quarter of 2012 to infill areas of initial high-grade results. Four holes were also completed at the Baran Zone to test a large gap in the existing drilling. Better results from Camp Zone include:

- KB-154: 2.4 g/t Au over 5.0 metres
- KB-155: 1.8 g/t Au over 9.0 metres
- KB-156: 2.9 g/t Au over 4.0 metres
- KB-158: 0.9 g/t Au over 9.4 metres
- KB-164: 125.4 g/t Au over 3.4 metres and 4.2 g/t Au over 1.2 metres

The drilling extends Camp Zone 150 metres to the northeast before closing it off. Drilling also closed off the deposit at depth. Several holes are planned to test a soil anomaly approximately 500 metres northeast of Camp Zone.

Results from the four holes at Baran Zone include one narrow, high-grade intercept (19.0 g/t gold over 2.4 metres in KB-162). Overall, drilling results outline a narrow, discontinuous zone of mineralization and enveloping alteration. No additional work is planned at Baran Zone.

True widths for the mineralized zones are from 20 to 90% of the stated intercept.

The results of the 2012 Kara Beldyr program are being compiled to determine the size and scope of the 2013 exploration program.

Turkey

Öksüt Project

In the fourth quarter of 2012, 18 diamond drill holes were completed and final results were received for 23 holes. Fifteen infill and step-out holes were drilled at the Ortacam North deposit, and a single hole each was completed at the Ortacam deposit (ODD96), Kizilagil (ODD71) and Devetasi (ODD78). Better results from the quarter include:

- ODD70 (step-out): 0.6 g/t Au over 106.6 metres
- ODD74 (step-out): 1.0 g/t Au over 35.8 metres
- ODD79 (infill): 0.9 g/t Au over 67.3 metres

ODD80 (infill):	3.3 g/t Au over 196.3 metres
ODD81 (infill):	1.4 g/t Au over 73.4 metres
	0.9 g/t Au over 56.2 metres EOH
ODD82 (infill):	0.4 g/t Au over 212.5 metres
ODD83 (step-out):	0.6 g/t Au over 106.0 metres
ODD84 (step-out):	1.1 g/t Au over 33.9 metres
ODD85 (infill):	1.4 g/t Au over 209.5 metres
ODD86 (infill):	2.2 g/t Au over 269.2 metres
ODD87 (infill):	2.5 g/t Au over 248.0 metres
ODD88 (infill):	1.0 g/t Au over 238.8 metres
ODD89 (infill):	1.1 g/t Au over 143.4 metres
ODD90 (infill):	1.1 g/t Au over 176.0 metres
	0.6 g/t Au over 115.4 metres
ODD91 (infill):	0.7 g/t Au over 44.4 metres
	0.6 g/t Au over 169.4 metres
ODD92 (step-out):	0.8 g/t Au over 42.7 metres
ODD93 (step-out):	0.6 g/t Au over 30.0 metres
ODD94 (infill):	1.2 g/t Au over 170.6 metres
ODD96 (infill):	0.6 g/t Au over 67.2 metres
	0.5 g/t Au over 69.4 metres

True widths for the mineralized zones are from 50 to 90% of the stated intercept.

Results from holes ODD70-89 were previously reported in Centerra Gold's news release of December 12, 2012. Results from holes ODD90-94 and ODD96 are new results received after the December 12th news release. All of these drilling results have been used in the year-end resource calculation.

Step-out drilling at 100-metre spacing has closed off the Ortacam North deposit to the north and west beyond the limits of the diatreme-breccia host rock. The deposit remains open to the east, beneath andesite cover, and to the southeast towards the smaller Ortacam deposit. The deposit is also open at depth below the oxide/sulphide boundary where several holes have intersected gold and supergene copper.

The Ortacam North deposit measures approximately 550 by 250-300 metres in plan and, locally, is up to 200 metres thick. The deposit is zoned outward from a core of massive silica breccia to enveloping vuggy quartz \pm alunite rock. Quartz-kaolinite rock, commonly developed in massive andesite, surrounds the deposit and generally contains less than 0.2 g/t gold.

PQ core from a metallurgical drill hole was composited into three sample types for bottle-roll and column leach test work at the SGS facility in Cornwall, England. Final results are expected in the first quarter of 2013 and will be used to plan a more extensive program of metallurgical drilling and column-leach test work.

Results were received for 99 core samples submitted for specific gravity measurements. The principal ore-bearing rock types – massive silica and vuggy quartz-alunite rock – displayed a wide range of values in the initial results. Another 117 samples were collected and submitted for analysis late in 2012. All 218 values have been used to assign densities in the year-end resource model.

To view the graphics, maps/drill sections and complete drill results discussed in this news release, please visit the following link: <http://file.marketwire.com/release/CG-Map207.pdf> or visit the Company's web site at: www.centerragold.com.

Material Assumptions & Risks

Material assumptions or factors used to estimate reserves and costs for 2013 include the following:

- a gold price of \$1,350 per ounce,
- exchange rates:
 - \$1USD:\$0.99 CAD
 - \$1USD:47.0 Kyrgyz som
 - \$1USD:1,375 Mongolian tugriks
 - \$1USD:0.78 Euro
- diesel fuel price assumption:
 - \$0.80/litre at Kumtor
 - \$1.18/litre at Boroo

The assumed diesel price of \$0.80/litre at Kumtor assumes that no Russian export duty will be paid on the fuel exports from Russia to the Kyrgyz Republic. Diesel fuel is sourced from separate Russian suppliers for both sites and only loosely correlates with world oil prices. The diesel fuel price assumptions were made when the price of oil was approximately \$87 per barrel.

Other material assumptions include the following:

- any recurrence of political or civil unrest in the Kyrgyz Republic will not impact operations, including movement of people, supplies and gold shipments to and from the Kumtor mine,
- the activities of the Parliamentary Committee and State Commission, referred to under the heading “Other Corporate Developments – Kyrgyz Republic - Kyrgyz Republic Parliamentary Commission Report and State Commission” in Centerra’s management’s discussion and analysis for the quarter ended September 30, 2012 filed on November 7, 2012 (the “Q3 2012 MD&A”) do not have an impact on operations or financial results. No assurances can be given by the Company in this regard,
- the Government of the Kyrgyz Republic taking no action in connection with the matters referred to under the heading “Other Corporate Developments – Kyrgyz Republic - Kyrgyz Republic Parliamentary Commission Report and State Commission” in the Q3 2012 MD&A that has an impact on operations or financial results. No assurances can be given by the Company in this regard,
- the previously disclosed environmental claims received from the Kyrgyz regulatory authorities in the amount of \$152 million, in aggregate, (see news release of December 14,

2012) and any further claims that may result from the State Commission, are resolved without material impact on Centerra's operations or financial results. No assurances can be given by the Company in this regard,

- grades and recoveries at Kumtor will remain consistent with the life-of-mine plan to achieve the forecast gold production,
- the Company is able to manage the risks associated with the increased height of the pit walls at Kumtor over the life-of-mine,
- the design of the new and expanded waste dumps (contemplated by the new KS-13 life-of-mine plan) at Kumtor adequately address the risks associated with size and stability,
- the dewatering program at Kumtor continues to produce the expected results and the water management system works as planned,
- the Company is able to satisfactorily manage the ice movement and to unload the ice and waste in the southeast portion of the Kumtor pit,
- prices of key consumables are not significantly higher than prices assumed in planning,
- no unplanned delays in or interruption of scheduled production from our mines, including due to civil unrest, natural phenomena, regulatory or political disputes, equipment breakdown or other developmental and operational risks,
- the Mongolian legislation which prohibits mineral prospecting, exploration and mining in water basins and forest areas in Mongolia (the "Water and Forest Law") will be amended or repealed to allow Gatsuert to proceed as planned, (see Company's most recently filed AIF),
- the royalty paid by Boroo increases to 10% after the Boroo stability agreement expires in July 2013 and the current 25% income tax rate remains unchanged, and
- all necessary permits, licenses and approvals are received in a timely manner.

Reserve estimates and cost forecasts are forward-looking information and are based on key assumptions and subject to material risk factors. If any event arising from these risks occurs, the Company's business, prospects, financial condition, results of operations or cash flows and the market price of Centerra's shares could be adversely affected. Additional risks and uncertainties not currently known to the Company, or that are currently deemed immaterial, may also materially and adversely affect the Company's business operations, prospects, financial condition, results of operations or cash flows and the market price of Centerra's shares. See the section entitled "Risk Factors" in the Company's most recently filed Annual Information Form (the "2011 Annual Information Form"), available on SEDAR at www.sedar.com and see also the discussion below under the heading "Cautionary Note Regarding Forward-looking Information".

Qualified Person & QA/QC

All exploration information and related scientific and technical information in this news release were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("NI 43-101") and were prepared, reviewed, verified and compiled by Centerra's geological and mining staff under the supervision of David Groves, Certified Professional Geologist, Centerra's Vice President, Global Exploration, who is the qualified person for the purpose of NI 43-101. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent

certified assay labs are used with the exception of the Kumtor project as described in its technical report filed on December 20th, 2012, with an effective date of September 30, 2012 (the “Kumtor Technical Report”).

All reserve and resource estimates, production information and other related scientific and technical information in this news release were prepared in accordance with the standards of the Canadian Institute of Mining, Metallurgy and Petroleum and National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* and were prepared, reviewed, verified and compiled by Centerra’s geological and mining staff under the supervision of Dan Redmond, Ontario Professional Geoscientist, Centerra’s Director, Technical Services – Mining, who is the qualified person for the purpose of NI 43-101. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the exploration drilling programs are done consistent with industry standards and independent certified assay labs are used with the exception of the Kumtor project as described in its Technical Report.

The Kumtor deposit is described in a technical report dated December 20, 2012, which is filed on SEDAR at www.sedar.com. The technical report describes the exploration history, geology and style of gold mineralization at the Kumtor deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the drilling programs at the Kumtor site are described in the technical report.

The Boroo deposit is described in Centerra’s 2011 Annual Information Form and a technical report dated December 17, 2009 prepared in accordance with NI 43-101, which is available on SEDAR at www.sedar.com. The technical report describes the exploration history, geology and style of gold mineralization at the Boroo deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the drilling programs at the Boroo site are the same as, or similar to, those described in the technical report.

The Gatsuurt deposit is described in Centerra’s 2011 Annual Information Form and a technical report dated May 9, 2006 prepared in accordance with NI 43-101. The technical report has been filed on SEDAR at www.sedar.com. The technical report describes the exploration history, geology and style of gold mineralization at the Gatsuurt deposit. Sample preparation, analytical techniques, laboratories used and quality assurance-quality control protocols used during the drilling programs at the Gatsuurt project are the same as, or similar to, those described in the technical report.

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, the Company's ability to resolve matters relating to the State Commission, including the receipt of environmental claims for aggregate amount of \$152 million and the discussions with the Kyrgyz officials regarding the continued validity of the project agreements for the Kumtor project without material adverse consequences to the Company's operations; 2013 exploration plans and the success thereof; Centerra's statements regarding future growth, results of operations, future production and sales, operating capital expenditures, and performance; the Company's ability to successfully manage the ice and waste movement at Kumtor; the outcome of discussions with the new Mongolian government on the way forward for the Company's Gatsuurt deposit; the impact of the Water and Forest Law on the Company's Mongolian activities; business and political environment and business prospects; and the timing and development of new deposits.

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, the matters listed in this news release under the heading "Material Assumptions and Risks"; risks related to operational matters, including the waste and ice movement at the Kumtor Project and the Company's continued ability to successfully manage it, the occurrence of further ground movements at the Kumtor Project, the success of the Company's future exploration and development activities, including the financial and political risks inherent in carrying out exploration activities, the adequacy of the Company's insurance to mitigate operational risks, mechanical breakdowns, the Company's ability to obtain the necessary permits and authorizations to raise the tailings dam at the Kumtor Project to the required height, the Company's ability to replace its mineral reserves, the occurrence of any labour unrest or disturbance and the ability of the Company to successfully re-negotiate collective agreements when required, seismic activity in the vicinity of the Company's operations in the Kyrgyz Republic and Mongolia, long lead times required for equipment and supplies given the remote location of the Company's properties, reliance on a limited number of suppliers for certain consumables, equipment and components, illegal mining on the Company's Mongolian properties, the Company's ability to accurately predict decommissioning and reclamation costs, the Company's ability to attract and retain qualified personnel, competition for mineral acquisition opportunities, and risks associated with the conduct of joint ventures; political and regulatory risks, including the political risks associated with the Company's principal operations in the Kyrgyz Republic and Mongolia, resource nationalism, the impact of changes in, or to the more aggressive enforcement of, laws, regulations and government

practices in the jurisdictions in which the Company operates, the impact of any actions taken by the Kyrgyz Republic Government and Parliament as a result of the Kyrgyz State Commission on Kumtor, any impact on the purported cancellation of Kumtor's land use rights at the Kumtor Project, the effect of the Water and Forest Law on the Company's operations in Mongolia, the effect of the 2006 Mongolian Minerals Law on the Company's Mongolian operations, the effect of the November 2010 amendments to the 2006 Mongolian Minerals Law on the royalties payable in connection with the Company's Mongolian operations, the impact of continued scrutiny from Mongolian regulatory authorities on the Company's Boroo project, the impact of changes to, or the increased enforcement of, environmental laws and regulations relating to the Company's operations, the Company's ability to successfully negotiate an investment agreement for the Gatsuurt project to complete the development of the mine and the Company's ability to obtain all necessary permits and commissions needed to commence mining activity at the Gatsuurt project; risks relating to financial matters including the sensitivity of the Company's business to the volatility of gold prices, the imprecision of the Company's mineral reserves and resources estimates and the assumptions they rely on, the accuracy of the Company's production and cost estimates, the impact of restrictive covenants in the Company's revolving credit facility which may, among other things, restrict the Company from pursuing certain business activities, the Company's ability to obtain future financing, the impact of global financial conditions, the impact of currency fluctuations, the effect of market conditions on the Company's short-term investments, the Company's ability to make payments including any payments of principal and interest on the Company's debt facilities depends on the cash flow of its subsidiaries; risks related to environmental and safety matters, including the ability to continue obtaining necessary operating and environmental permits, licenses and approvals, the impact of the significant environmental claims made in December 2012 relating to the Kumtor Project, inherent risks associated with using sodium cyanide in the mining operations; legal and other factors such as litigation, defects in title in connection with the Company's properties, the Company's ability to enforce its legal rights, risks associated with having a significant shareholder, and possible director conflicts of interest. 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.

Furthermore, market price fluctuations in gold, as well as increased capital or production costs or reduced recovery rates may render ore reserves containing lower grades of mineralization uneconomic and may ultimately result in a restatement of reserves. The extent to which resources may ultimately be reclassified as proven or probable reserves is dependent upon the demonstration of their profitable recovery. Economic and technological factors which may change over time always influence the evaluation of reserves or resources. Centerra has not adjusted mineral resource figures in consideration of these risks and, therefore, Centerra can give no assurances that any mineral resource estimate will ultimately be reclassified as proven and probable reserves.

Centerra's mineral reserve and mineral resource figures are estimates and Centerra can provide no assurances that the indicated levels of gold will be produced or that Centerra will receive the gold price assumed in determining its mineral reserves. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available.

While Centerra believes that these mineral reserve and mineral resource estimates are well established and the best estimates of Centerra's management, by their nature mineral reserve and mineral resource estimates are imprecise and depend, to a certain extent, upon analysis of drilling results and statistical inferences which may ultimately prove unreliable. If Centerra's reserve or reserve estimates for its properties are inaccurate or are reduced in the future, this could have an adverse impact on Centerra's future cash flows, earnings, results or operations and financial condition.

Centerra estimates the future mine life of its operations. Centerra can give no assurance that mine life estimates will be achieved. Failure to achieve these estimates could have an adverse impact on Centerra's future cash flows, earnings, results of operations and financial condition.

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 February 7, 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 and at SEDAR at www.sedar.com.

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