



RESULTS

the 1st quarter of 2013



DURING THE FIRST THREE MONTHS OF 2013
KUMTOR PRODUCED **2,787 kg** of gold

THE COMPANY HAS CONTRIBUTED MORE THAN
1.44 billion som IN TAXES AND MANDATORY PAYMENTS

The Kumtor open pit mine, located in the Kyrgyz Republic, is the largest gold mine in Central Asia operated by a Western-based producer. It has been operating since May 1997 and, as of March 31, 2013, has produced approximately 8.7 million ounces or about 271 tonnes of gold.

Kumtor Operating Company is the operator of the Kumtor project responsible for the entire production cycle.

Centerra Gold Inc. is a growth-oriented North American gold producer and 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, Canada. In addition to the Kyrgyz Republic owning approximately 33% of shares via Kyrgyzaltyn JSC, Centerra has other shareholders, including major investment funds in the USA, Britain, Canada as well as minor European and North American investors.

Currently Centerra has two producing gold mines in the Kyrgyz Republic and in Mongolia. It also has interests in promising exploration properties located in Mongolia, Turkey, China and the Russian Federation.

The Kyrgyz Republic, via Kyrgyzaltyn JSC, is Centerra's largest shareholder owning **77,401,766 shares** (about 33%).

BASIC OPERATING AND FINANCIAL RESULTS

Three Months Ended March 31	2013	2012	Change
Gold sold – ounces ¹	91,617	62,196	47%
Gold sold – kg	2,850	1,935	47%
Average realized gold price – \$/oz	1,623	1,732	(6%)
Revenue from gold sales to Kyrgyzaltyn – \$ millions ²	148.7	107.7	38%
Cost of sales – \$ millions	66.3	62.8	6%
Cost of sales – \$/oz sold	724	1,010	(28%)
Tonnes mined – 000s	40,184	30,746	31%
Tonnes ore mined – 000s	209	63	232%
Average mining grade – g/t	2.45	1.33	85%
Tonnes milled – 000s	1,473	1,252	18%
Average mill head grade – g/t	2.69	1.98	36%
Recovery – %	74.1	72.6	2%
Gold produced – ounces	89,618	60,707	48%
Gold produced – kg	2,787	1,888	48%
Operating cash cost – \$/oz produced	452	642	(30%)
All-in cash cost (pre-tax) – \$/oz produced*	1,359	2,934	(54%)
All-in cash cost including tax – \$/oz	1,591	3,183	(50%)
Capital expenditures – \$ millions	102.2	126.2	(19%)
Exploration expenditures – \$ millions	2.4	2.2	9%

* All-in cash cost (pre-tax) includes the following costs: operating cash costs (mainly mining, processing, production taxes (excluding revenue-based taxes) and administrative expenses), sustaining and growth capital (including capitalized stripping), exploration expenses and community investments.

The Company has decided to move toward reporting an "all-in cash cost" methodology for gold production. The Company believes an all-in cash cost measure more fully reflects the actual cost of producing gold. All-in cash cost (pre-tax) is non-GAAP measure.

¹ – One Troy ounce equals to 31,10348 grammes

² – Unless specified otherwise, all dollar figures in this news release are in US dollars

UNLESS SPECIFIED OTHERWISE, ALL DOLLAR FIGURES IN THIS NEWS RELEASE ARE IN US DOLLARS

During the first three months of 2013, contributions to the national budget in taxes, deductions to the Social Fund and other mandatory payments have totaled 1.44 billion soms.

As of March 31, 2013	USD thousands
Revenue-based tax	20,030.23
Issyk-Kul Development Fund	2,409.90
Pollution tax	310.00
Employee income tax	1,153.88
Social Insurance Fund	5,761.25
Customs	228.38
Tax on nonresident companies	130.08
Other taxes and mandatory payments	19.02
Total	30,042.74
<i>US\$ official exchange rate to the Kyrgyz Soms as of March 31, 2013</i>	47.96
Equivalent of payments effected in thousands Kyrgyz Soms	1,440,879.7

Note: Under the Agreement on New Terms of April 24, 2009, the revenue-based tax and contributions to the Issyk-Kul Development Fund are estimated based on actual cash revenues from sales during the specified period.

OUTLOOK FOR 2013

In 2013, approximately 55% of Kumtor's gold production is expected to occur in the fourth quarter as a result of ore production planned to come from the high-grade SB Zone ore that has several years of production history. The high-grade ore from the SB Zone is only available for mining at the end of the third quarter when it is exposed by Cut Back 15 creating a potential variability to Kumtor's 2013 production guidance. This variability will not change the total production at Kumtor which is expected to be between 550,000 and 600,000 ounces in 2013.

Total capital expenditures, excluding capitalized stripping, are forecast to be \$95 million in 2013 including \$64 million of sustaining capital. The largest sustaining capital spending will be the major overhaul maintenance of the heavy duty mine equipment (\$29 million), purchase of new mining equipment (\$17 million), tailings dam construction raise (\$5 million) and other items (\$13 million).

Growth capital investment at Kumtor for 2013 is forecast at \$31 million, which includes the relocation of certain infrastructure at Kumtor related to the KS-13 life-of-mine expansion (\$26 million) and other items (\$5 million).

Gold produced by the Kumtor mine is purchased at the mine site by Kyrgyzaltyn JSC for processing at its refinery in the Kyrgyz Republic pursuant to a Gold and Silver Sales Agreement signed by KOC, Kyrgyzaltyn and the Government of the Kyrgyz Republic. Kyrgyzaltyn JSC enjoys the exclusive right to sell refined gold and silver both in and outside the Kyrgyz Republic.



As of June 5, 2013,
KYRGYZSTAN'S INTERESTS
WERE ESTIMATED AT
\$ 319.6 million



Additional information on Centerra and the full text of the news release on the results of the first quarter of 2013 are available on SEDAR at www.sedar.com and the Company's website at www.centerragold.com.

Information about Kumtor Operating Company is available at www.kumtor.kg.

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