

## Chaarat Gold Holdings Ltd

Road Town, Tortola, British Virgin Islands (30<sup>th</sup> March 2009)

### Gold Resources Increase to over 3.3 Million Ounces at its Chaarat Property

Chaarat Gold Holdings Ltd (AIM-CGH) (“Chaarat” or “the Company”) is pleased to announce a revised and increased estimate of the mineral resources at its 100% owned Chaarat deposit in the Kyrgyz Republic of **3.339 million ounces of gold**, based on drilling results from the 2008 exploration season. Results from an additional fifty-eight new core drill holes (13,520 metres of drilling) have been incorporated into the mineral resource database of the 11 project areas, covering a six kilometre strike length. The mineral resource was estimated to JORC compliant standards by SRK Consulting (South Africa), an internationally recognised consulting group, who are independent of Chaarat.

#### Highlights

- The Indicated and Inferred Resource has increased by 205,000 ounces from 3.134 million ounces in 2008 to 3.339 million ounces.
- The mineral resource on the adjoining C4600 and C5300 Project Areas, where most drilling took place and an adit was developed, increased by 18% and the mineralisation remains open in all directions.
- The mineral resource on the C5300 Project Area alone has surpassed 1 million ounces of gold.
- Although the Company believes a portion of the deposit may be mined using an open pit method, a more robust grade of 3g/t cut-off (previously 2g/t cut-off) was applied to the whole resource to reflect a conservative assumption for underground mining.

**Table 1: Summary of estimated indicated and inferred mineral resources at Chaarat (at 30th March 2009)**

At 3.0g/t Cut-off		Indicated Resources			Inferred Resources			Total Resources		
Zone	Sub-Zone	Tonnes	Gold Grade	Gold Content	Tonnes	Grade	Content	Tonnes	Grade	Content
		kt	g/t Au	koz Au	kt	g/t Au	koz Au	kt	g/t Au	koz Au
Main Zone	M2400	1,857	4.45	266	1,059	4.24	144	2,916	4.37	410
	M3000	3,293	4.37	463	782	4.64	117	4,075	4.43	580
	M3400				986	4.19	133	986	4.19	133
	M3900	1,182	3.74	142	946	3.73	113	2,128	3.74	256
	M4400				321	3.88	40	321	3.88	40
	M5000	66	6.05	13	332	4.92	52	397	5.11	65
	M6000	133	4.61	20	566	5.19	94	699	5.08	114
Main Zone Totals /Averages		6,531	4.30	904	4,992	4.33	693	11,522	4.31	1,598

Contact Zone	C4000	122	3.60	14	538	3.61	62	660	3.61	77
	C4600	480	3.91	60	2,002	4.28	275	2,482	4.21	336
	C5300	3,071	4.24	419	4,291	4.29	591	7,362	4.27	1,010
Contact Zone Totals /Averages		3,673	4.18	493	6,831	4.23	928	10,504	4.21	1,423
Tulkubash*	T0700	1,642	4.70	248	473	4.67	71	2,115	4.69	319
Grand Totals/Averages		11,846	4.32	1,644	12,294	4.29	1,694	24,141	4.30	3,338

\*The Tulkubash Resource has not been changed from 2008 and was quoted at a 2g/t cut. The 2009 SRK Resource is quoted at a 3g/t cut.

**Dekel Golan CEO comments;** *“We are delighted with this latest resource estimate on the wide mineralised zones at Chaarat. Whilst the increase in resource may seem modest, it is important to note that the resource included in Projects C4600-C5300 where most of the work was done has increased by 18% from 1.14 million ounces to 1.35 million ounces. Furthermore the increase in cut-off grade gives the Company increased confidence in the project economics. Significant effort has been invested in underground development including an adit, drifts and drilling chambers. This investment in exploration infrastructure will serve as a platform to add significant resource to these two very attractive projects during the coming season.*”

*For the 2009 exploration season the Company will focus on underground drilling in the C4600 and C5300 Projects and on using the newly acquired Reverse Circulation equipment to add resources to the Main and Tulkubash Zone Projects. Those projects, partially covered with loose material, are less suitable for core drilling. The Company believes that, funds permitting, the drilling of down dip and along strike extensions during this year will increase the Chaarat resources towards our initial target of delineating a Resource of four million ounces.”*

This resource estimate is compiled from all core drill holes completed on 11 project areas at Chaarat to date and supersedes the Resource reported in the Scoping Study of June 2008.

The 176 holes included in the Resource estimate were drilled on three sub-parallel zones of mineralisation at Chaarat; the Main, the Contact and the Tulkubash, each of which is characterised by mineralisation up to 37 metres wide and dipping at 55 to 70 degrees to the northwest.

The deepest drill intersections (vertical) on the C5300, C4600 and C4000 Project Areas are 499 metres, 358 metres and 351 metres respectively. On the other eight project areas included in the Resource estimate, drilling is limited to vertical depths of between 82 to 290 metres.

On all project areas, the mineralisation remains open down dip and on most it is open along strike. Underground drilling will continue from the adit on the C5300 Project Area and the Company plans to do further drilling with the aim of increasing the Resource in the coming year and converting existing Inferred Resources to the Indicated category.

## **Quantity and Quality of Data**

The Resource database contains 43,800 gold assay records from surface, adit and drill-core samples. SRK has reviewed 4,307 umpire assays, 2,214 results of reference materials and 1,870 blanks sent to three laboratories and concludes that the quality and quantity of data are sufficient to support the mineral resource estimates as reported.

## **Methodology**

The Resources for the Main and Contact mineralised zones at the Chaarat gold deposit in the Kyrgyz Republic were re-estimated by SRK in March 2009 using industry-standard geological modelling and Resource estimation software. The Tulkubash Zone has not been re-estimated because there is insufficient new data, the Company having focussed its exploration efforts on the Main and Contact Zones in 2008.

The revised 2009 estimation has used all available exploration data from previous (2004 to 2008) exploration campaigns, including assays from drill holes, bulldozer-cuts, trenches and underground sampling.

The data was used to develop new, three-dimensional, geological wireframe models for each mineralised zone using a boundary definition cut-off grade of 3g/t Au. Once the 3-D geological solids were built, a two-dimensional estimation was undertaken for the mineralised zones. Samples were composited to one sample per borehole intercept and omni-directional variograms generated.

SRK used Ordinary Kriging for the estimation of all sub-zones within the Main and Contact Zones using a block size of 20 by 20 by 10m. The Inverse Distance Squared estimate of Berhe Dolbear for the T0700 (Tulkubash) Zone has not been re-estimated or verified by SRK but is included, for completeness, in the March 2009 summary Resource Statement.

All SRK estimates were validated by comparing the mean statistics of the sample data with the estimates.

SRK has taken into account the data distribution, grade variability, geological interpretations, structure of the omni-directional variograms and the quality of the estimation in the classification of the Resource.

The classification of the Resource was based initially on the number of intercepts through each discrete wireframe unit: those with a single intercept have been classified as Inferred. The geostatistical parameters (slope of Regression and estimation validation) of the remainder were examined to determine which wireframe units (or parts of units) gave reasonable confidence in the continuity of the grades: these were classified as Indicated.

The recent infill-drilling has demonstrated the depth and width continuity of the geological boundaries of the Main and Contact Zones and has resulted in an increase in the volume of the mineralisation compared with the previous Resource estimates.

A preliminary economic analysis by SRK indicates a cut-off of 3.0g/t is likely to be more appropriate at Chaarat. The cut-off grade will be refined upon completion of the proposed pre-feasibility study, later this year.

## **Competent Person**

Dr. Tony Martin MAusIMM, PrSciNat is qualified to act as a “competent person” as defined in the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’ and accepts responsibility for the information on Exploration Results and Mineral Resources in this press release. SRK affirms that Dr Martin:-

- has more than 38 years’ as a practising geologist;
- is a Member of the Australasian Institute of Mining and Metallurgy and a Professional Natural Scientist registered with South African Council for Natural Scientific Professions; and
- has more than 25 years’ experience in the estimation, assessment and evaluation of mineral Resources relevant to the styles of mineralisation and the type of deposits under consideration.

### **About the Chaarat Gold Project**

The Chaarat project is situated within the Middle Tien Shan Mountains of The Kyrgyz Republic which form part of the Tien Shan gold belt. The Company’s exploration programme is aimed at increasing the confidence levels in the resource through infill drilling and increasing the Resource to four million ounces, through down-dip and along-strike extension drilling.

### **About Chaarat Gold Holdings**

Chaarat is an exploration company founded for the purpose of developing the Chaarat License Area. Chaarat was admitted to AIM on 8 November 2007. The Company has 71.9 million shares issued (79.4 fully diluted).

### **Disclaimer**

*This press release includes forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond Chaarat’s control that would cause the actual results, performance or achievements of Chaarat to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Chaarat’s present and future business strategies and the environment in which Chaarat will operate in the future. Any forward-looking statements speak only as at the date of this document. Chaarat expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this document to reflect any change in Chaarat’s expectations with regard to these or any change in events, conditions or circumstances on which any such statements are based. As a result of these factors, the events described in the forward-looking statements in this press release may not occur either partially or at all.*

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