

Chaarat Gold Holdings Ltd

(AIM:CGH)

("Chaarat" or "the Company")

Significant mineralised intersections in the C5300 Project Area at the Chaarat Gold Property

Road Town, Tortola, British Virgin Islands, 7 September 2009.

As indicated in our interim results announced on 27 August 2009, Chaarat today announces encouraging detailed results from an underground cross-cut intersecting the mineralised ore body and four underground drill holes at the C5300 Project Area on the Contact Zone at its 100% held, 604 square kilometre, Chaarat Gold Property in Kyrgyzstan. The Chaarat property had, at the end of 2008, an audited Indicated and Inferred JORC resource of 3.34 million ounces gold at as announced on 30 March 2009.

Key drill results

| | True widths |
|------------------------------|------------------------------|
| Cross –cut 4960 | 21.00m at 4.95g/t Au |
| Drill hole CCH09UG007 | 11.20m at 3.64 g/t Au |
| Drill hole CCH09UG007 | 5.00m at 5.37 g/t Au |
| Drill hole CCH09UG006 | 11.67m at 4.17 g/t Au |
| Drill hole CCH09UG006 | 7.00m at 5.10 g/t Au |
| Drill hole CCH09UG005 | 9.25m at 4.01 g/t Au |

Dekel Golan, CEO of Chaarat, comments *“These results confirm management’s view of the significant potential of the Chaarat deposit, which continues to demonstrate excellent continuity, and sustained wide intersections that will allow the Company to pursue, with increased confidence, our intention to establish a low cost bulk mining operation”.*

The C5300 Project Area is the northernmost of the three project areas along the Contact Zone ore body. The Contact Zone is one of three major mineralisation trends where resources have been defined and calculated by SRK, based on drilling results from the 2008 exploration season, to include a 1.42 million ounce C compliant, Indicated and Inferred gold resource at an average grade of 4.21 g/t Au over a cumulative strike length of 1,260 metres. Most of the resource associated with strike has been defined to a shallow depth of 300 metres below surface. The resource calculated for the C5300 Project Area, which is included within the above stated resource, has been calculated at 1.01 million ounces at an average grade of 4.27 g/t Au to a drill defined depth of up to 520m.

The above results demonstrate the continuity of thickness and grade of mineralisation between the C5300 project area and the other two projects in the Contact Zone along strike to the south.

In order to allow better access to evaluate the Contact Zone mineralisation at depth in the C5300 Project Area, the Company developed an underground adit in 2007 to intersect the contact zone at 275 metres below the outcrop elevation. This underground development has been extended along strike with, the establishment of drill chambers and an additional cross cut. Development along strike is also being extended further to the south where further drill chambers and cross cuts will be established.

The main adit intersected the Contact Zone mineralisation in early 2008 along Section 5160 with 22.45 metres at 5.78 g/t of Au. Subsequent development enabled the establishment of three underground drilling chambers from which a total of 6,819 metres were drilled during 2008. Furthermore, during 2008, drill hole CCH08C464 located in the C4600 Project Area along Section 4520, intersected 17.97 metres (true width) at 6.21 g/t Au. These encouraging results motivated the further work that was needed to close the gap along strike between the Contact Zone Project Areas.

During 2009, the underground development along strike towards project C4600 has continued. The cross-cut reported here (Cross-cut 4960) is located on Section 4960 which is 200m south west of the main adit and has further confirmed the strike continuity of mineralisation to the south, between the Main Adit and the C4600 Project Area. The results provide the technical support for further developing south to provide the infrastructure for additional drilling to evaluate and connect the C5300 and C4600 mineralised bodies. The mineralised ore zone intersected will also facilitate bulk sampling and physical examination for geotechnical and mining purposes. The details of mineralised intersections along the cross-cut are presented in Table 1.

Four new drill holes were drilled from drill chamber 3. The mineralised intersections of all four drill holes are presented in Table 1. Three of the four drill holes being reported are located on Section 4880 along which drilling was conducted for the first time. The fourth hole is located on Section 4960, down dip of Cross cut 4960. The drilling results from the holes on Section 4880 effectively extend the strike to the south by a further 80 meters to 640 meters, potentially adding significant additional resources. This strike extension to the south, further demonstrates the strike continuity and closes the gap between C5300 and the C4600 project. In addition to the continuity of the resource, the results also indicate an increased robustness in thickness and grade to the south, further enhancing the potential resource. The mineralisation in the C5300 Project Area remains open both along strike and down dip.

The nature of the Contact Zone

Mineralisation in the Contact Zone is hosted in a wide shear zone which is known to extend for at least 10 km on strike on the contact between the underlying Ordovician Chaarat Formation (siltstones and sandstones) and the underlying Devonian Tulkubash Formation (quartzites). The wide mineralised zones dip at 50-60 degrees to the north-west. The gold mineralisation is associated with sulphides, sericitic alteration and minor quartz veinlets.

Within the Contact Zone, the Company has delineated three Project Areas - C5300, C4600 and C4000. The project area numbers represent the on-strike location, in metres, on a base line parallel to the Contact Zone.

Table 1: Drill intervals

| Hole ID | Section | Drilled From (metres) | Drilled To (metres) | Length (metres) | True width (metres) | Au (g/t) |
|----------------|----------------|------------------------------|----------------------------|------------------------|----------------------------|-----------------|
| Cross-cut 4960 | 4960 | 32.00 | 58.00 | 26.00 | 21.00 | 4.95 |
| Including | 4960 | 33.00 | 45.00 | 12.00 | 9.69 | 6.00 |
| Including | 4960 | 37.00 | 45.00 | 8.00 | 6.46 | 6.84 |
| Including | 4960 | 47.00 | 52.00 | 5.00 | 4.04 | 6.94 |
| CCH09UG004 | 4960 | 177.00 | 189.00 | 12.00 | 6.50 | 2.81 |
| Including | 4960 | 181.50 | 189.00 | 7.50 | 2.48 | 3.50 |
| CCH09UG004 | 4960 | 193.50 | 204.00 | 10.50 | 5.78 | 3.04 |
| Including | 4960 | 193.50 | 199.00 | 5.50 | 3.03 | 4.30 |
| CCH09UG007 | 4880 | 106.50 | 120.00 | 13.50 | 11.20 | 3.64 |
| Including | 4880 | 111.00 | 120.00 | 9.00 | 7.50 | 4.40 |
| Including | 4880 | 111.00 | 117.00 | 6.00 | 5.00 | 5.70 |
| CCH09UG007 | 4880 | 127.50 | 129.00 | 1.50 | 1.24 | 5.39 |
| CCH09UG007 | 4880 | 142.50 | 148.50 | 6.00 | 5.00 | 5.37 |
| Including | 4880 | 142.50 | 145.50 | 3.00 | 2.48 | 7.44 |
| CCH09UG006 | 4880 | 132.00 | 138.00 | 6.00 | 4.67 | 2.04 |
| CCH09UG006 | 4880 | 142.50 | 169.50 | 27.00 | 21.00 | 3.48 |
| Including | 4880 | 148.50 | 163.50 | 15.00 | 11.67 | 4.17 |
| Including | 4880 | 148.50 | 151.50 | 3.00 | 2.33 | 5.21 |
| Including | 4880 | 154.50 | 163.50 | 9.00 | 7.00 | 5.10 |
| Including | 4880 | 154.50 | 160.50 | 6.00 | 4.67 | 6.40 |
| Including | 4880 | 168.00 | 169.50 | 1.50 | 1.16 | 11.40 |
| CCH09UG005 | 4880 | 177.00 | 190.50 | 13.50 | 9.25 | 4.01 |
| Including | 4880 | 181.50 | 187.50 | 6.00 | 4.11 | 5.17 |
| Including | 4880 | 178.50 | 187.50 | 9.00 | 6.17 | 4.38 |
| CCH09UG005 | 4880 | 202.50 | 207.00 | 4.50 | 3.08 | 2.59 |

QA/QC Procedures: Sampling Methodology and Quality Control

All samples are sent to the Alex Stewart laboratory in Kyrgyzstan, accredited by the UK Accreditation Service, for sample preparation and assays. Genalysis, of Australia, a NATA ISO/IEC 17025 accredited laboratory for analysis being used for QA/QC check of the analyses of Alex Stewart. Check samples totalling 20% in the form of 2 Standards, 1 Blank and 1 Duplicate in a batch of 20 samples are being used for quality checks of the Alex Stewart assays.

Competent Person

The Competent Person with overall responsibility and who has reviewed the information in this press release is Sunit Patel, M.Sc (Geology), GSSA, who is an employee of Chaarat Gold. Mr. Patel is an exploration geologist with 22 years of experience in the resource industry who has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and was supervisor to the work which is the subject of this release.

About the Chaarat Gold Project

The Chaarat Project is situated within the Middle Tien Shan Mountains of Kyrgyzstan which form part of the Tien Shan gold belt. Mineralisation occurs and resources have been defined in three sub-parallel zones including the Main Zone, the Contact Zone and the Tulkubash Zone. At the completion of the 2008 exploration season, a Mineral Resource of 3.34Moz at a grade of 4.30 g/t gold (JORC in the Indicated and Inferred categories) had been delineated. The Company's exploration programme is aimed at increasing the confidence levels in this Resource through infill drilling and increasing the resource through down-dip and along-strike extension drilling.

About Chaarat Gold Holdings or the Company

Chaarat Gold Holdings is an exploration company founded for the purpose of developing the Chaarat Licence Area. Chaarat was admitted to AIM on 8 November 2007.

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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