Chaarat Gold Holdings Ltd

("Chaarat" or "the Company")

Resource increases to over four million ounces at Chaarat Gold Project

Road Town, Tortola, British Virgin Islands (9th March 2010).

Chaarat (AIM-CGH), the gold exploration and development company operating in the Kyrgyz Republic, is pleased to announce a revised estimate of the gold resources at its 100% owned Chaarat deposit of 4.009 million ounces, based on results from the 2009 exploration season. Twenty five new core drill holes (5,357 metres) and four cross-cuts (307 metres) have been incorporated into the Resource database of the 11 project areas, covering a six kilometre strike length. The resource was estimated to JORC compliant standards by SRK Consulting (South Africa), an internationally recognised consulting group, which is independent of Chaarat.

Highlights

- The Indicated and Inferred Resource has increased by 670,000 ounces from 3.339 million ounces in 2009 to 4.009 million ounces at 2.0g/t cut off.

- The resource of Project C5300, where the majority of the 2009 drilling took place and where an adit was developed, increased by over 35% to 1.345 million ounces and is open in all directions.

Table 1: Summary of Estimated Resources at Chaarat (February 2010)

At 2.0g/t Cut-off		Indicated Resources			Inferred Resources			Total Resources		
Zone	Sub-Zone	Mass	Gold Grade	Gold Content	Mass	Grade	Content	Mass	Grade	Content
		kt	g/t	Koz	kt	g/t	koz	kt	g/t	koz
Main Zone	M2400	2,900	4.11	390	800	3.96	106	3,700	4.08	496
	M3000	3,800	4.11	504	1,500	4.57	226	5,300	4.24	730
	M3400				1,000	4.17	134	1,000	4.17	134
	M3900	1,500	3.76	182	700	3.86	90	2,200	3.79	272
	M4400				300	3.86	41	300	3.86	41
	M5000	100	5.81	13	400	5.20	59	500	5.32	72
	M6000	300	3.88	39	600	4.33	90	900	4.18	129
Main Zone Totals /Averages		8,600	4.05	1,127	5,400	4.28	744	14,000	4.15	1,871
Contact Zone	C4000	400	3.33	39	500	3.33	55	900	3.33	94
	C4600	900	3.97	116	1,900	4.16	247	2,800	4.10	363
	C5300	6,700	4.19	906	3,200	4.24	439	9,900	4.21	1,345
Contact Zone Totals /Averages		8,000	4.12	1,061	5,600	4.13	741	13,600	4.13	1,802
Tulkubash	T0700				2,500	4.18	336	2,500	4.18	336
Grand Totals/Averages		16,600	4.09	2,188	13,500	4.20	1,821	30,100	4.14	4,009

Dekel Golan CEO comments: *"We are delighted with this latest resource estimate on the wide mineralised zones at the Chaarat deposit. This continues to demonstrate the significant potential of the deposit which will allow the Company to pursue a low cost gold mining operation. The significant investment in the underground development which includes an adit, drifts, drives and drilling chambers are serving as a platform to turn the C4600 and C5300 projects into one large mineralised body, which already includes over 1.7 million ounces, the majority of which are in the indicated category."*

Quantity and Quality of Data

This resource estimate is compiled from all core drill holes completed on 11 project areas at Chaarat to date and supersedes the resource update announced on 30 March 2009.

The 191 holes included in the Resource estimate were drilled on the three sub-parallel zones of mineralisation at Chaarat, the Main, the Contact and the Tulkubash Zones, which are characterised by mineralisation up to 37 metres wide and dipping at 55 to 70 degrees to the northwest.

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

On all project areas, the mineralisation remains open down dip, and on the majority, also open along strike. Underground drilling will continue from the adit on the C5300 Project Area with the aim of increasing the Resource in the coming year, as well as converting the existing Inferred Resources to the Indicated category.

The Resource database contains 49,359 gold assay records from surface, adit and drill-core samples. SRK has reviewed 3,727 umpire assays, 1,202 results of reference materials and 2,031 blanks sent to three laboratories and concluded that the quality and quantity of data are sufficient to support the Mineral Resource estimates reported herein.

Methodology

The Resources for the Main and Contact Zones at the Chaarat gold deposit in Kyrgyzstan were estimated by SRK in February 2010 using industry-standard geological modelling and Resource estimation software.

The revised 2010 estimation has used all available exploration data from previous (2004 to 2009) exploration campaigns, including assays from drill holes, bulldozer-cuts, trenches and underground.

The data was used to develop new, three-dimensional, geological wireframe models for each mineralised zone using a boundary definition cut-off grade of 2g/t Au. Once the 3-D geological solids were built, a two-dimensional estimation was undertaken for the mineralised zones. The data distribution for the Contact Zone was sufficient to generate directional variograms along the major and semi-major directions. Omni-directional variograms were generated for the Main and Tulkubash Zones.

SRK used ordinary kriging for the estimation of all sub-zones within the Main and Contact Zones using a block size of 20m by 20m by 10m.

All SRK estimates were validated by comparing the global mean statistics of the sample data with the estimates and a swath analysis exercise, which compared the composite data with the block estimates within a given swath, validating the quality of the local estimates.

SRK has taken into account the data distribution, grade variability, geological interpretations, structure of the variograms and the quality of the estimation in the classification of the Mineral 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 results of the swath analysis were used to determine which wireframe units (or parts thereof) 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.

As the Chaarat mine is likely to be a combined open pit and underground operation, the Company has used a 2g/t cut off rate for the purpose of this resource announcement. Table 2 sets out the resource in all three areas applicable to different levels of cut off.

Table 2: Grade Tonnage Data: Contact, Main and Tulkubash Zones at Chaarat (at February 2010)

Cut-off (g/t Au)	Tonnage (T)	Grade (g/t Au)	Content (koz)
1.8	30,141,459	4.14	4,009
2	30,141,081	4.14	4,009
2.2	30,129,579	4.14	4,008
2.4	29,997,284	4.15	3,998
2.6	29,408,026	4.18	3,951
2.8	28,786,691	4.21	3,897
3	27,674,104	4.26	3,793
3.2	25,815,593	4.35	3,608
3.4	23,554,660	4.45	3,368
3.6	20,993,256	4.56	3,079
3.8	18,402,767	4.68	2,771
4	15,840,145	4.81	2,449

Competent Person

Shaun Crisp Pr.Sci.Nat, Senior Resource Geologist, an employee of SRK Consulting compiled the report entitled “Update of the Mineral Resource estimates for Chaarat Gold Project, Kyrgyzstan” dated February 2010 from which this information has been extracted.

The Competent Person with overall responsibility for this press release, and who has reviewed the information contained herein, is Sunit Patel, M.Sc (Geology), FGS, GSSA, who is an employee of Chaarat. 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.

Chaarat

Chaarat is an exploration and development company operating in the Kyrgyz Republic with its current main activity being the development of the Chaarat Gold Project. The Chaarat Gold Project is

situated within the Middle Tien Shan Mountains of Kyrgyzstan which form part of the Tien Shan gold belt. The Company has thus far delineated a JORC compliant mineral resource of 4.009 Moz at a grade of 4.14 g/t gold. A scoping study demonstrating the economic v of the Chaarat Gold Project was completed at the end of 2008. The Company is currently in the process of compiling a pre-feasibility study. Chaarat's objective is to become a low cost gold producer targeting an initial production of over 200,000 ounces per annum by early 2013.

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 y 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 futur 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.

Enquiries

Chaarat Gold Holdings Ltd	
c/o Central Asia Services Ltd	+44 (0) 20 7499 2612
Dekel Golan	dekel@chaarat.com
Linda Naylor	linda.naylor@chaarat.com
Westhouse Securities Limited	+44 (0) 20 7601 6100
Tim Feather	tim.feather@westhousesecurities.com
Richard Baty	richard.baty@westhousesecurities.com
Mirabaud Securities LLP	+44 (0) 20 7321 2508
Rory Scott	rory.scott@mirabaud.com
Smith's Corporate Advisory	+44 (0) 20 7239 0140
Dominic Palmer-Tomkinson	tomkinson@smiths-ca.com

Conduit PR +44 (0) 20 7429 6603

Jos Simson jos@conduitpr.com

Emily Fenton emily@conduitpr.com

Glossary of Technical Terms

"assay"	qualitative or quantitative analysis of a metal or ore determine its components
"Au"	chemical symbol for gold
"cut-off grade"	the lowest grade value that is included in a resource statement. It must comply with JORC requirement 19: "*reasonable prospects for eventual economic extraction*" the lowest grade, or quality, of mineralised material that qualifies as economically mineable and available in a given deposit. It may be defined on the basis of economic evaluation, or physical or chemical attributes that define an acceptable product specification
"g/t"	grammes per tonne, equivalent to parts per million
"Inferred Resource"	that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability
"Indicated Resource"	that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed
"JORC"	The Australasian Joint Ore Reserves Committee Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, 2004 (the "JORC Code" or "the Code"). The Code sets out minimum standards, recommendations and guidelines for Public Reporting in Australasia of Exploration Results, Mineral Resources and Ore Reserves
"kriging"	an inverse distance weighting technique where weights selected via the variogram according to the samples' distance and direction from the point of estimation. The weights are not only derived from the distance between samples and the block to be estimated, but also the distance between the samples themselves. The kriging estimates are controlled by the variogram

	parameters which are interpreted from the data
"Measured Resource"	that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity
"Mineral Resource"	a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories when reporting under JORC
"Moz"	million troy ounces
"ordinary kriging"	commonly used type of kriging which assumes a constant but unknown grade
"oz"	troy ounce (= 31.103477 grammes)
"swath analysis"	used to validate a block estimate by comparing a selected block with a composite of the data in that block
"t"	tonne (= 1 million grammes)
"variogram"	a method of displaying and modelling the difference in grade between two samples separated by a distance "h", called the "lag" distance. It provides the mathematical model of variability with distance and is used during kriging
"wireframe"	this is created by using triangulation to produce an isometric projection of, for example, a rock type, mineralisation envelope or an underground stope.