

CHAARAT GOLD HOLDINGS LIMITED
("Chaarat" or "the Company")

PLACING

Road Town, Tortola, British Virgin Islands (1 July 2010)

Chaarat Gold Holdings Limited (AIM: CGH), the gold exploration and development company operating in the Kyrgyz Republic, is pleased to announce that the Company has raised approximately £3.85 million (before expenses) through the issue of new ordinary shares at a price of 40 pence per share (the "Placing"). The Placing represents approximately 8.5% of Chaarat's existing issued ordinary share capital.

Use of Proceeds

As announced on 17 May 2010, Chaarat has identified the potential of establishing an early stage, low cost, partially open pit mine within the T0700 project area in the Tulkubash zone at its 100% owned Chaarat Gold Project.

In order to pursue this possibility and with the objective of bringing the Project into production by the end of 2011, additional funds are required to carry out the following work:

- Further drilling to increase and upgrade the resource in the Tulkubash zone
- Conducting the necessary studies and reports required for regulatory approval and production permits

Drilling recommenced in the Tulkubash zone in May 2010. Within the T0700 project area, a JORC compliant resource of 336,000 oz at a grade of 4.18 g/t has already been delineated.

Commenting on the Placing, Dekel Golan, CEO of Chaarat, commented: *"The Placing allows Chaarat to keep up its momentum as it progresses from a pure gold exploration company into a company focused on the development and production of the Chaarat Gold Project.*

"I would like to express my gratitude to those existing shareholders who have continued to support Chaarat and assure them, as well as our new shareholders, that management will work ceaselessly to justify this trust and support."

The Placing

The Company, through its broker, Westhouse Securities Limited ("Westhouse") has conditionally placed 9,634,675 new ordinary shares (the "Placing Shares") at 40p per share, raising approximately £3.85 million (before expenses).

The Placing Shares will be issued under the existing power granted to the Directors to allot shares and is expected to be completed at 8.00 a.m. on 5 July 2010 on admission of the Placing Shares to trading on AIM.

Christopher Palmer-Tomkinson, Oliver Greene and Linda Naylor, directors of Chaarat have each agreed to subscribe for Placing Shares. The details of their subscriptions and their resulting beneficial holdings following the Placing are set out below:

Director	Number of Placing shares subscribed for	Total holding following the Placing	% of enlarged issued share capital
Christopher Palmer-Tomkinson *	700,000	7,375,000	6.0
Oliver Greene	50,000	200,000	0.2
Linda Naylor	250,000	328,000	0.3

* In addition, as announced on 21 June 2010, Christopher Palmer-Tomkinson may receive a further 736,344 new ordinary shares in Chaarat on completion of Chaarat's proposed acquisition of Kyrex Limited.

Pursuant to the subscription agreement dated 10 July 2009 between Chaarat and China Nonferrous Metals Int'l Mining Co Ltd ("CNMIM"), Chaarat is required to give notice to CNMIM if it intends to issue any Chaarat shares for cash or non cash consideration. CNMIM may within 15 business days of receipt of the notice give written notice to require Chaarat to issue such number of Chaarat shares to CNMIM on the same terms as the Placing Shares, as is necessary to maintain the percentage holding of CNMIM prior to the Placing, being 19.9 per cent. The required notice will be sent to CNMIM and a further announcement made, if appropriate.

Following the Placing, there will be 122,545,678 ordinary shares of US\$0.01 each in issue.

Westhouse Securities Limited is the nominated adviser and sole broker to the Company.

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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 viability 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 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.