NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN, INTO OR WITHIN THE UNITED STATES, CANADA, AUSTRALIA, JAPAN, THE REPUBLIC OF IRELAND OR SOUTH AFRICA.

This announcement is not an offer of securities for sale in the United States. The securities discussed herein have not been and will not be registered under the United States Securities Act of 1933, as amended (the "**US Securities Act**"), or the securities laws of any state of the United States. The securities may not be offered or sold in or into the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. No public offering of the securities discussed herein is being made in the United States and the information contained herein does not constitute an offering of securities for sale in the United States, Canada, Australia, Japan, the Republic of Ireland or South Africa.

Chaarat Gold Holdings Limited
("Chaarat" or the "Company")

Fundraising of £51.6 million (approximately US$83.4 million)

Road Town, Tortola, British Virgin Islands (7 February 2011)

Chaarat (AIM: CGH) is pleased to announce that it has conditionally raised approximately £51.6 million (gross) (approximately US$83.4 million) via the proposed issue of 103,290,468 ordinary shares of US$0.01 each ("**Ordinary Shares**") through a placing and direct subscriptions at a price of 50 pence per Ordinary Share (the "**Placing Price**") (the "**Fundraising**").

The Company, through its broker, Westhouse Securities Limited ("**Westhouse**") and placing agent, Liberum Capital Limited ("**Liberum**"), has received commitments to subscribe for 100,142,670 new Ordinary Shares (the "**Placing Shares**") to raise approximately £50.1 million (the "**Placing**"). In addition, Chaarat has received commitments to subscribe for 3,147,798 new Ordinary Shares (the "**Subscription Shares**" and, together with the Placing Shares, the "**New Shares**"), at the Placing Price, through direct subscriptions (the "**Direct Subscriptions**").

Background to the Fundraising

The Company's strategy is to develop an expandable production unit on the Chaarat deposit with first gold pouring scheduled for mid- 2012. Production capacity is planned to be increased towards 200,000 ounces per annum by the end of 2014. Early production will be based on the mostly free-milling (oxide) zone (Tulkubash Project) and increased production levels are likely to be fed from the refractory (sulphide) zones (Kiziltash Project) and will require the introduction of an oxidation unit in due course.

Chaarat is currently in the process of compiling a Definitive Feasibility Study for the Tulkubash Project and a Pre-Feasibility study on the much larger Kiziltash Project.

A significant proportion of the net proceeds of the Fundraising will be deployed towards developing the required infrastructure for both projects. Much of the infrastructure will service both projects and will enable quick and efficient development of the future expansion phases. The infrastructure primarily includes the improvement of the access road to the deposit from the main public road; the construction of a power line from the nearby grid to the processing plant; the establishment of a sub-station and back up generating capacity and the tailings dam facility.

In parallel with the ongoing exploration work taking place in the Kiziltash project, an intensive exploration programme will be undertaken during the Spring and Summer of 2011 to determine to what extent the oxide resource, particularly the open-pittable section, can be expanded and what level of production the resource will support. The Company and its technical consultants believe that the transition from processing mostly oxide to wholly sulphide ore does not pose a significant technological challenge.

Dekel Golan, Chief Executive of Chaarat, commented:

"Chaarat is delighted to announce that it has now secured the funding to establish the initial production stage of the Chaarat project and take it to production. The fundraising has been well received and we are delighted to welcome the new investors to the Company's share register.

"We have been preparing for this significant step forward. The management team in Bishkek has been significantly strengthened with the addition of Benoit de Galbert and others to the team. In addition the board will benefit from the experience of Dr. Rob Weinberg who joined us recently. We are determined to work together with the new government of the country in ensuring this development will be one of the major initiatives contributing to the growth of economic activity so important to Kyrgyzstan.

"The Company has been operating in the country since late 2002 and during that period has spent a considerable amount of money in developing a resource of 4.4 million ounces. It is very exciting to be able to move one step further towards production."

Conditions and further details regarding the Placing

The Placing Shares have been conditionally placed by Westhouse and Liberum. Under the terms of a placing agreement dated 7 February 2011 and entered into between the Company, Westhouse and Liberum, Westhouse and Liberum have agreed to use their reasonable endeavours to procure placees for the Placing Shares at the Placing Price. The Placing is not underwritten and is not conditional upon completion of the Direct Subscriptions.

The Subscription Shares will be issued under the existing power granted by shareholders to the directors of the Company to allot shares for cash. Application has been made for the Direct Subscription Shares to be admitted to trading on AIM, which is expected to take place on 10 February 2011 ("**First Admission**").

The Subscription Shares will represent approximately 2.1 per cent of the enlarged issued share capital of the Company following First Admission. The total enlarged issued share capital of the Company following First Admission will be 150,181,698 Ordinary Shares. The above figure may after First Admission be used by shareholders as the denominator for the calculations by which they can determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Company's articles of association and the AIM Rules for Companies.

The existing power granted by shareholders to the directors of the Company to allot shares for cash is insufficient to allow the issue of the Placing Shares. Therefore, the Placing is conditional on the passing of the necessary resolutions at an Extraordinary General Meeting ("**EGM**") of the Company which is expected to be held at the offices of Maclay Murray & Spens LLP, One London Wall, London, EC2Y 5AB at 10.00 a.m. on 2 March 2011 and is expected to be completed at 8.00 a.m. on 3 March 2011 on admission of the Placing Shares to trading on AIM ("**Second Admission**").

A notice of EGM will today be posted to shareholders and will also be available on the Company's website.

The Placing Shares will represent approximately 40.0 per cent. of the issued share capital of the Company following Second Admission, The total enlarged issued share capital of the Company following Second Admission will be 250,324,368 Ordinary Shares. The above figure may after Second Admission be used by shareholders as the denominator for the calculations by which they can determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Company's articles of association and the AIM Rules for Companies.

Directors' participation

Details of the subscriptions which directors of the Company have undertaken to make in the Fundraising are set out below:

	Previous Ordinary Shares held	New Shares subscribed for	Total Shares following the Fundraising	Percentage of enlarged issued share capital
Christopher Palmer-Tomkinson [1]	8,111,344	1,888,656	10,000,000	3.99
Linda Naylor [2] [3]	428,000	200,000	628,000	0.25
Dr. Robert Weinberg [2]	nil	20,000	20,000	0.01

[1] Subscription included in the Placing
[2] Subscription included in the Direct Subscriptions
[3] Of these shares, 285,500 Ordinary Shares currently held and 100,000 Ordinary Shares subscribed for in the Fundraising relate to Linda Naylor's husband.

China Nonferrous Metals International Mining Co Ltd ("CNMIM")

Chaarat is required to give notice to CNMIM if it intends to issue any Ordinary 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 Ordinary Shares to CNMIM on the same terms as the New Shares as is necessary to maintain the percentage holding of CNMIM prior to the issue of the New Shares. The required notice in respect of the issue of the New Shares will be sent to CNMIM and a further announcement made, if appropriate.

Further information about the Company:

Chaarat Gold Holdings Limited	+44 (0)20 7499 2612
c/o Central Asia Services Limited	dekel@chaarat.com
	linda.naylor@chaarat.com
Westhouse Securities Limited	+44 (0) 20 7601 6100
Tim Feather	tim.feather@westhousesecurities.com
Richard Baty	richard.baty@westhousesecurities.com
Smith's Corporate Advisory	+44 (0)20 7321 2508
Dominic Palmer-Tomkinson	tomkinson@smiths-ca.com
Liberum Capital Limited	020 3100 2200
Chris Bowman	chris.bowman@liberumcapital.com
Sheharyar Malik	sheharyar.malik@liberumcapital.com

Note to Editors:

About Chaarat Gold

Chaarat Gold is an exploration and development company operating in the Kyrgyz Republic. The Company's main activity is the development of the Kiziltash and Tulkubash projects 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 4.406 Moz at a grade of 4.2 g/t gold across both deposits. The Company is currently in the process of compiling a Pre-Feasibility Study on the Kiziltash project and a Definitive Feasibility Study on the Tulkubash project. Chaarat's objective is to become a low cost gold producer targeting production of over 200,000 ounces per annum by early 2014 from the Kiziltash project with first production from the smaller Tulkubash project in mid 2012.

www.chaarat.com

Competent Person

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 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 subject of this release.

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 risks, uncertainties and other factors include, among others, changes in the credit markets, changes in interest rates, a fall in the price of gold, legislative and regulatory changes, changes in taxation regimes, and general economic and business conditions, particularly in the United Kingdom and Kyrgyzstan. 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.

The distribution of this announcement in certain jurisdictions may be restricted by law and such distribution could result in violation of the laws of such jurisdictions. In particular, this announcement is not for distribution in the United States, Australia, Canada, Japan, the Republic of Ireland or South Africa. Additionally, the information in this press release may not be forwarded or distributed to any other person and may not be reproduced in any manner whatsoever. Any forwarding, distribution, reproduction, or disclosure of this information in whole or in part is unauthorized. Failure to comply with this directive may result in a violation of the Securities Act or the applicable securities laws of other jurisdictions.