CHAARAT GOLD HOLDINGS LTD

Annual Report & Accounts 2008

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Highlights

The Company and its property

Chaarat Gold Holdings has a 100% interest in a 604 square kilometre licence over a highly prospective gold district in the Tien Shan gold belt in Central Asia.

Drilling has focused on three mineralised zones, the Contact, Main and Tulkubash Zones on less than six kilometres of the 28 kilometres of strike.

The sedimentary hosted, shear zone controlled mineralisation is developed in wide zones with gold and associated silver and antimony.

At present a prefeasibility study is in progress on those projects at the advanced exploration stage, while regional exploration continues.

Progress during 2008

A total of 40,081 metres drilled and 1,150 metres of adit and drift development completed.

Subsequent to the year end, the mineral resources estimate, including all 2008 drilling results, increased to a total of 3.34 million ounces of gold at an average grade of 4.30 g/t.

The Behre Dolbear scoping study projects a project NPV of $152 million, assuming a 10% discount rate, a gold price of $750/ounce and an IRR of 21.6%.

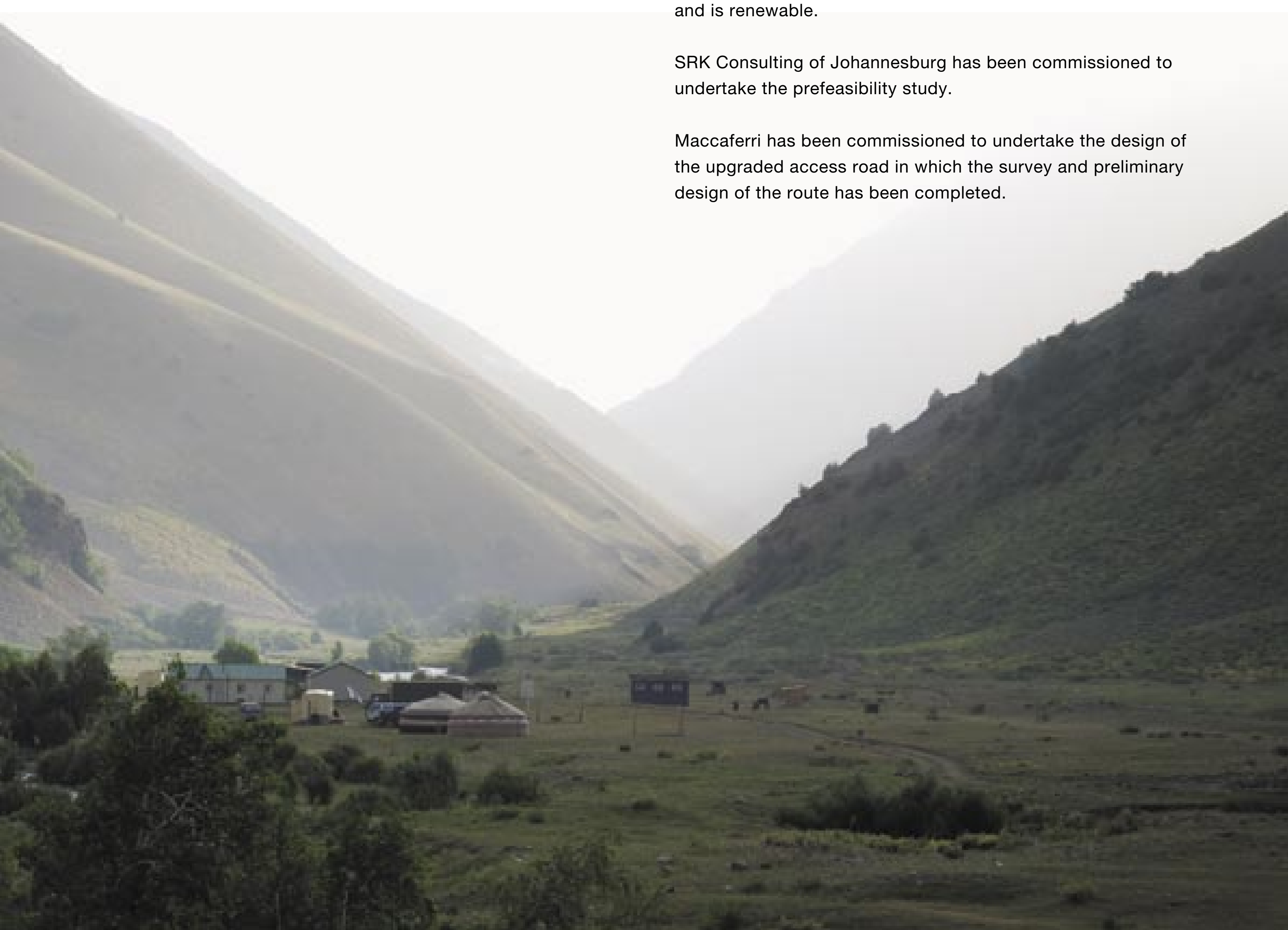
The mineral resources in the contiguous C5300 and C4600 Project Areas alone comprise 1.41million ounces of gold.

Progress has been made in regional exploration and in opening up new gold projects in the Ishakuldy area.

The exploration licence was extended to 31 December 2010 and is renewable.

SRK Consulting of Johannesburg has been commissioned to undertake the prefeasibility study.

Maccaferri has been commissioned to undertake the design of the upgraded access road in which the survey and preliminary design of the route has been completed.



Chairman's Report

2008 has been another year of sound progress for your Company's operations. Advances have been made across all facets of our gold project: in field-based exploration, in the size and confidence in our resource base, in regional exploration within our licence area and in the completion last summer of a scoping study that highlighted potential healthy financial returns. In addition, progress has been made in planning for the establishment of a mine, preparation of an environmental baseline study and metallurgical test work. We are aiming to complete a prefeasibility study incorporating all of these elements in the second half of this year.

The delineated mineral resource at Chaarat has increased to 3.34 million ounces of gold. This is a JORC compliant resource estimate, with about half of this being in the 'indicated' category - an important step towards determining mineable gold reserves.

Overall, our 2008 drilling season came through with pleasing results. Our understanding of the structural controls and distribution of mineralisation in the three principal zones has improved, which will increase the effectiveness of drilling extensions to the mineralisation and in prospecting new targets.

The 'blue sky' element at Chaarat remains significant, since drilling has tested a small percentage of known mineralised strike and gold occurrences. The mineralisation remains open at depth and along strike in most project areas where advanced stage prospecting has been conducted.

Of more general note, interest in gold related companies in the current monetary environment appears to be on the increase. Admittedly, it is gold producers that have been at the forefront of attention but interest is now broadening to exploration opportunities. In the Kyrgyz Republic, it is noteworthy that Gold Fields Limited has recently 'farmed in' to the Taldibulak project and that the protracted dispute between the Government and major Centerra is now resolved.

Considerable interest is also being shown in gold and other mineral projects within the Kyrgyz Republic by her neighbour, China.

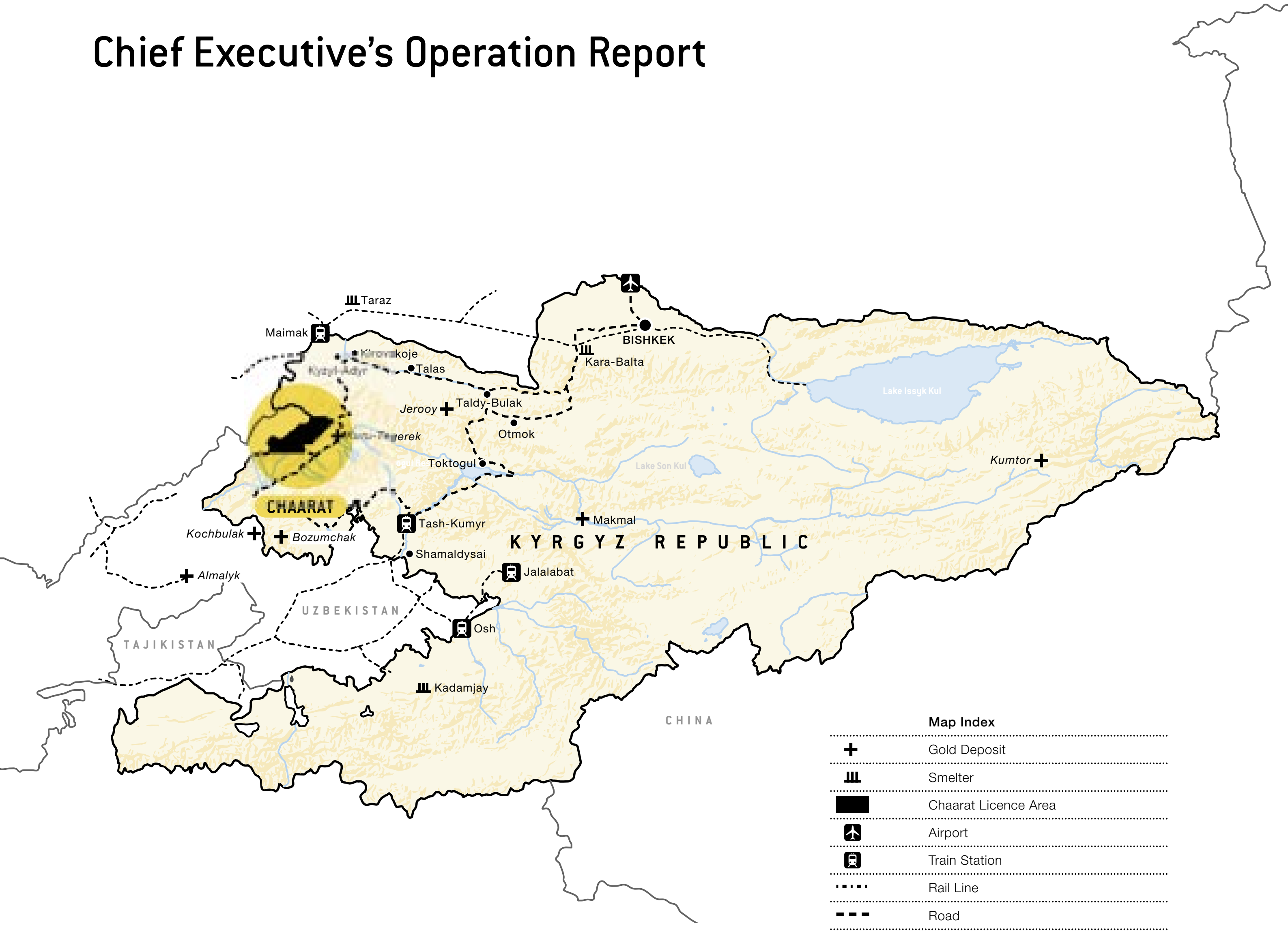
As a Board, we are committed to seeking an improvement in the value placed upon your Company. In this regard, we would not rule out bringing a partner into our project if the right terms could be achieved. In the meantime, and whilst such avenues are investigated, we have raised GBP 2.2million by way of a limited private placing at a price of 12 pence per share to fund completion of the prefeasibility study and our exploration programme in the year ahead.

Finally, I would like to draw your attention to the fact that our hard working staff, both in the Kyrgyz Republic and in London have achieved a great deal this year. They have our sincere thanks.

Christopher Palmer-Tomkinson
Chairman

At 3.0g/t Cut-off		Indicated Resources			Inferred Resources			Total Resources		
Zone	**Sub-Zone**	**Tonnage (kt)**	**Grade (g/t Au)**	**Contained Gold (koz)**	**Tonnage (kt)**	**Grade (g/t Au)**	**Contained Gold (koz)**	**Tonnage (kt)**	**Grade (g/t Au)**	**Contained Gold (koz)**
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	255
	M4400				321	3.88	40	321	3.88	40
	M5000	66	6.05	13	332	4.92	52	398	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	11,523	4.31	1,597
Contact Zone	C4000	122	3.60	14	538	3.61	62	660	3.61	76
	C4600	480	3.91	60	2,002	4.28	275	2,482	4.21	335
	C5300	3,071	4.24	418	4,289	4.29	593	7,360	4.27	1,011
Contact Zone Totals / Averages		3,673	4.18	492	6,829	4.23	930	10,502	4.21	1,422
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	24,140	4.30	3,338

Chief Executive's Operation Report



• *Map showing Kyrgyz Republic & Chaarat licence area*

During 2008, the Chaarat project was transformed from being an exploration project to one making meaningful progress on a prefeasibility study – a significant step towards production. Much time, effort and expense has been directed towards exploration, upgrading confidence in the mineral resource and generating and collecting the data required for planning, designing and constructing a mine. In particular, we have continued with our intensive exploration programme, the underground development and drilling and metallurgical test work. Furthermore the Company has commissioned contractors to undertake the accurate surveying of the access road route and conducted geotechnical drilling and studies as well as hydrological and environmental studies.

June 2008 saw the completion of the Scoping Study compiled by Behre Dolbear, with an amended and improved version published in December. As is always the case, 'work in progress' changes to the development strategy occur as more information becomes available.

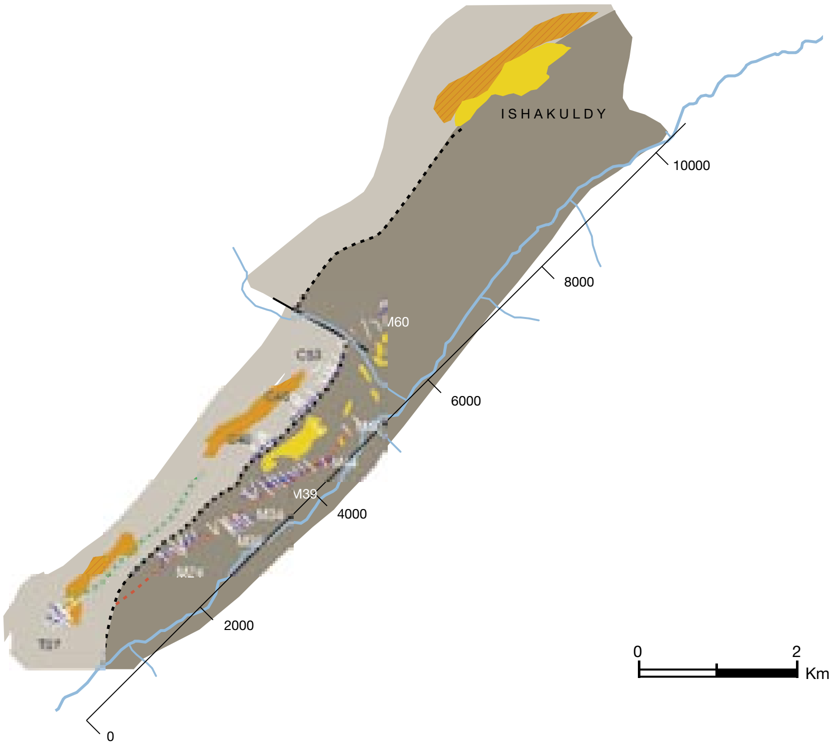
Exploration progress benefited from our continuous operations throughout the 2007/08 winter, being the first time exploration at Chaarat did not cease during the winter months. The work allowed the Company to complete the adit we started to develop during 2007, reaching and intersecting the mineralised zone. Drifting was started in both directions along the zone of mineralisation and the construction of the second underground drilling chamber was successfully completed. That work allowed the Company to commence underground drilling during early spring 2008. The drilling results contributed towards refining our models on the distribution and controls of mineralisation and led to a reinterpretation, which showed increased continuity in the zones of mineralisation between previously separate project areas. As I write this report, the 2009 drilling programme is getting underway, with the primary aim of testing these mineralisation models and increasing the mineral resources in the intervening spaces between the various project areas.

The global financial meltdown has had a significant impact on our markets. Whilst the gold price reacted positively to the crisis, the equity markets have not been easy for junior explorers. The falling share price and reduced appetite for raising additional funds led the Company to reduce its level of activities, albeit in a measured way. You will see administration costs have increased during the year; this has been the result of a full year's worth of the additional costs the Company incurs as a result of our public listing on the Alternative Investment Market. There has also been an increase in the notional cost attributed to the share options issued to date.

Exploration

During the year we developed a total of 1,150 metres of adit and drifts, as well as three drilling chambers, to support underground exploration. A total of 14,753 metres in 67 drill holes were drilled, of which 29 holes (5,986 metres) were drilled from the underground drilling chambers and the balance, 38 holes (8,767 metres), were drilled from surface. These drill results significantly improved our understanding of the more prospective areas of the Chaarat licence area, which will be of benefit to the 2009 drilling programme.

	Map Index
	Diorite
	Tulkubash Formation
	Chaarat Formation
	Soil sample anomaly >1g/t Au
	Mineralised Outcrop
- - -	Contact Zone
- - -	Tulkubash Zone
- - -	Main Zone



• *Map showing location of Chaarat projects*

Selected drilling results from each of the project areas drilled are set out below:

Project Area	Drill Hole No.	Section Line	Intersected width (metres)	True width (metres)	Gold grade Au (g/t)
C5300 (surface)	CCH08C535	5240	43.50	37.21	4.02
C5300 (UG)	UGADH185	5160	33.00	29.54	4.25
C4600	CCH08C464	4520	32.00	27.39	6.04
C4000	CCH08C402	4000	9.00	4.05	3.94
M2400	CCH08M24-1	2040	35.00	23.98	4.47
M3000	CCH08M3018	3160	46.50	30.98	4.12
M3400	CCH08M3015	3320	17.55	12.95	3.06
M3900	CCH08M399	4000	28.90	23.27	3.90
M5000	CCH08M501bis	4880	10.50	7.67	2.96
M6000	CCH08M601	6040	5.00	5.00	3.52

Contact Zone

The three project areas on the Contact Zone, C4000, C4600 and C5300, occur over a ten kilometre strike length, on the contact of the Tulkubash Formation siltstones and the Chaarat Formation quartzites. The wide mineralised zones, developed in multiple subzones within siltstones, on the Contact Zone have been the focus of most of the exploration during 2008.

C5300-C4600 Project Areas

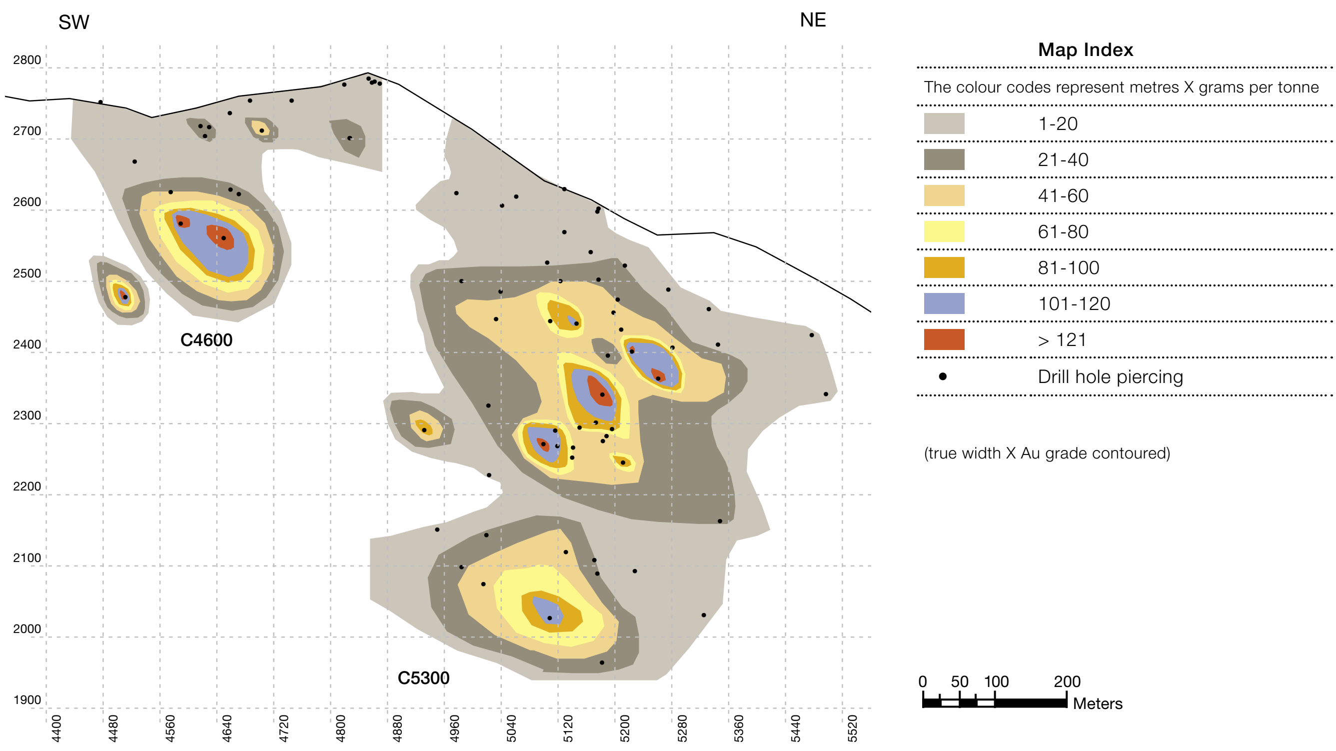
These two adjacent project areas represent the flagship project at Chaarat, where a mineral resource of some 1.41 million ounces of gold has been delineated.

On the C5300 Project Area, 1,150 metres of underground exploration development, in adits and drifts, were completed, from which 29 underground drill holes (5,986 metres) were drilled during the year. In addition, a further 5 drill holes (1,128 metres) were drilled from surface. The mineralisation here is developed in multiple zones (up to eight, with a cumulative width of 12.26 metres), of which the principal zone has a grade of 4.26 g/t gold over a true width of 5.89 metres and extends for some 550 metres along strike and is still open along strike and down dip.

Of significance during the year, underground drill hole UG ADH185 intersected 4.25g/t gold over a width of 29.54 metres.

On the C4600 Project Area, drilling during the year comprised 3 drill holes (821 metres) and included the noteworthy intersection in drill hole No CCH08C464 of 6.04g/t gold over a width of 27.39 metres, which is one of the more impressive intersections since prospecting commenced at Chaarat. The mineralisation in this zone is similar to that in the C5300 project area. It occurs in up to four parallel zones, with a cumulative width of 15.14 metres and an average grade of 4.32 g/t. The mineralisation extends over 400 metres of strike and remains open at depth and along strike.

An interpretation of the drilling results indicates that the mineralisation in the C4600 Project Area is a strike extension of the mineralisation in the C5300 Project Area and therefore the intervening 150 metres between these two areas represents a prime exploration target. Should the mineralisation prove to be continuous between these two areas, this combined target would have a cumulative mineralised strike length of 1,100 metres. A second prime exploration target area is on the north east of the C4600 Project Area, below the current limit of drilling, at some 200 metres



• *Map showing the longitudinal vertical projection of the C5300 and C4600 project areas*

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depth, where a high grade, wide area of mineralisation appears to plunge towards a similar area in the C5300 Project Area.

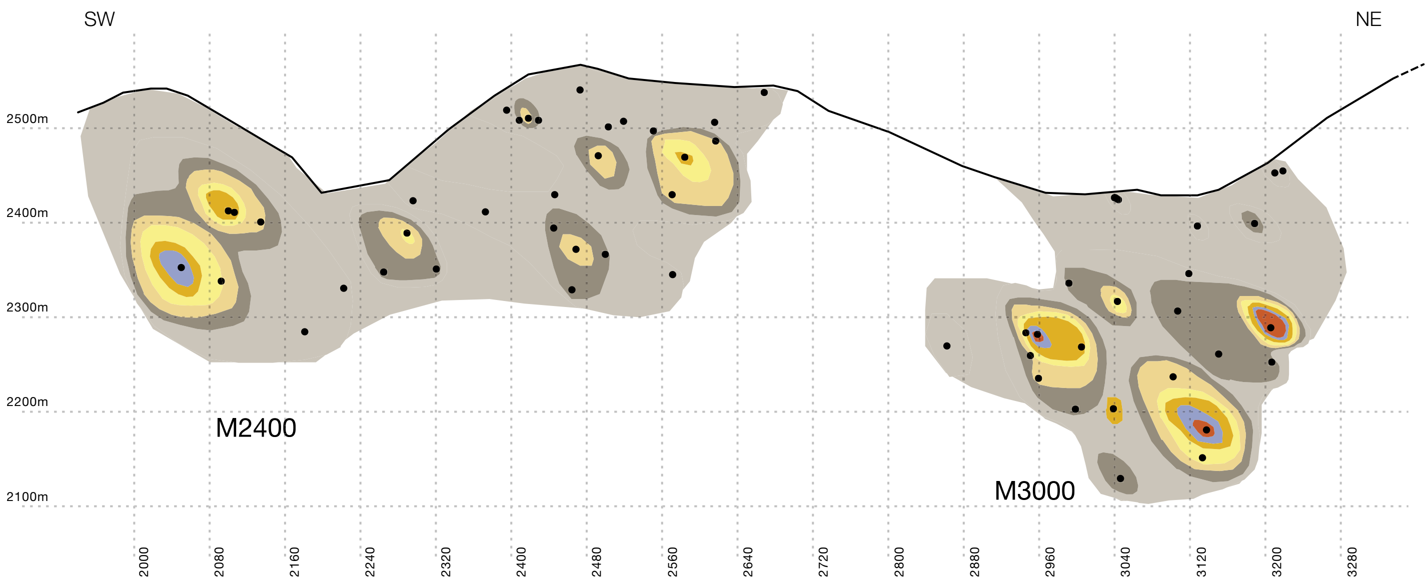
C4000 Project Area
An initial mineral resource of 97,000 ounces of gold has been delineated at a grade of 3.58 g/t gold over a width of 3.40 metres. However, only 13 drill holes have been drilled here (2008: 3 drill holes and 791 metres) and the latest interpretation indicates that although this zone may represent the thinner lower grade termination of the C53000 – C4600 mineralisation system, the higher grade zones here appear to plunge towards the north east into the undrilled open area, with a 300 metre strike length between the C4000 and C4600 Project Areas. This is a target that will be tested in the forthcoming drilling programme.

Main Zone
Gold mineralisation in the Main Zone is widespread and seven project areas, extending over 4.5 kilometres of strike, have been delineated and drilled to date. The wide mineralised zones, consisting of multiple sub zones within a shear zone, are hosted by siltstones of the Chaarat Formation. Only four of the seven project areas (M400, M3000, M3400 and M3900) have been drilled sufficiently to allow for significant mineral resources to be delineated. Although all the upper parts of the Main Zone project areas are potential open pit targets, drilling to date has been restricted in parts by overlying surface conditions. This should be resolved in the coming year with the arrival of the RC rig for the 2009 field season.

M2400-M3000 Project Areas
These two Project Areas, extending over a currently delineated strike distance of 1,100 metres (of which 900 metres is mineralised), have a combined estimated mineral resource of 1.04 million ounces of gold. As drilling has only extended to depths in the range of 200 and 300 metres below surface, the mineralisation remains open on strike and down dip. Although a total of 42 holes have been drilled in these areas to date, only 10 holes (2,642 metres) were drilled during 2008. Drilling has defined at least six parallel mineralised zones in these project areas, with a cumulative width of over 9 metres and in which the principal zones have grades of over 4.1 g/t gold over widths of some 4 metres. As the mineralisation is open on strike, there is scope for increasing the resource as further drilling is undertaken. The upper sections of the mineralisation in the Contact and Main Zones are likely open cut targets.

Other Main Zone Project Areas
The Main Zone contains five additional project areas, including the M3400 Project Area (133,000 ounces at 4.19 g/t) and M3900 Project Area (256,000 ounces at 3.74 g/t). Only 24 holes have been drilled on these two project areas to date, including 10 holes (2,345 metres) during 2008. These areas have a currently delineated cumulative mineralised strike of 550 metres and the

• *Maps showing the longitudinal vertical projection of the M2400, M3000, M3400 and M3900 project areas*



mineralisation is open in all directions. As the configuration of the mineralisation in the upper parts would appear to be amenable to open pit mining, further surface drilling with the RC rig is planned on these areas in an effort to increase the resource base significantly.

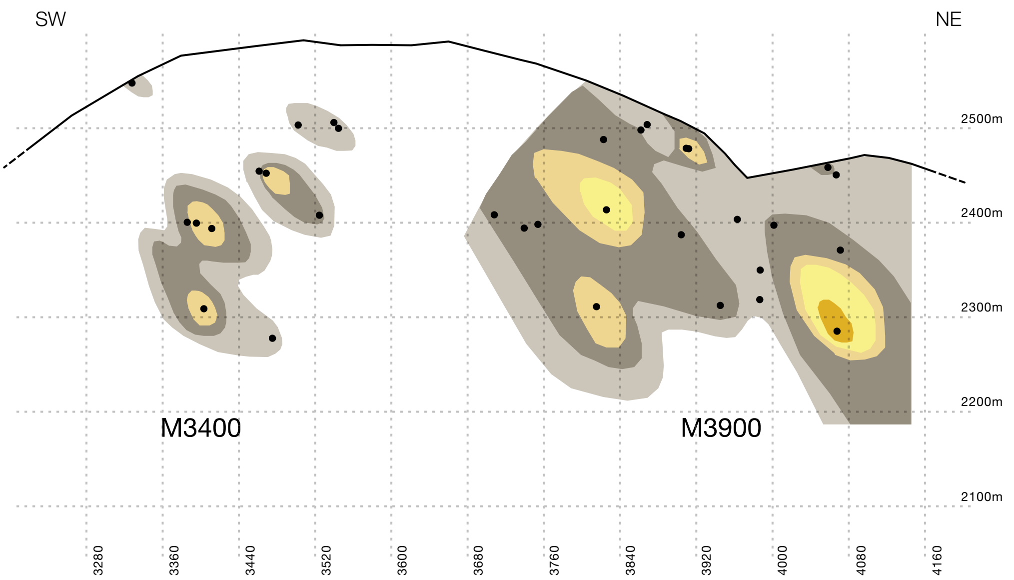
The remaining three project areas in the Main Zone (M4400, M5000, M6000 Project Areas) have a currently defined cumulative mineralised strike length of 830 metres but have limited drilling completed on them - a total of only 21 holes (2008: seven holes and 588 metres). As the mineralisation in all three of these areas remains open in all directions, these represent very significant medium term exploration targets.

Other Project Areas

At the Tulkubash Zone there has been limited progress during the year. On the principal target, the T0700 Project Area, which was drilled in previous years to establish a mineral resource in 2007 of 319,000 ounces of gold at a grade of 6.69g/t, drilling was suspended pending the arrival of the RC rig, which is more appropriate for the conditions in this area. Drilling will recommence in the coming year, in an effort to increase the resources here.

• *Satellite image of Chaarat project areas*

	Map Index
• (green)	>2g/t Au outcrops
• (red)	>2g/t Au sub-crops
— (yellow)	traces of drill holes/surface cuts



Map Index

The colour codes represent metres X grams per tonne

(light grey)	1-20
(dark grey)	21-40
(light tan)	41-60
(pale yellow)	61-80
(gold)	81-100
(blue)	101-120
(red-orange)	> 121
•	Drill hole piercing

(true width X Au grade contoured)

0 50 100 200 Meters

→

At the Ishakuldy Project Area, a new node of mineralisation, surface exploration continued and exposed mineralisation in trenches with grades of up to 4.08 g/t gold over 38.40 metres. Much progress was made on an access road to this area that will be completed early in the new field season, thereby allowing further surface sampling with bulldozer cuts and thereafter drilling, as the new target is defined on surface.

Mineral Resources

Following the completion of the drilling programme at the end of the 2008 field season, SRK Consulting of Johannesburg ("SRK") were commissioned to update the mineral resource estimate, as part of the prefeasibility study, by incorporating all the latest drilling results. Of significance, the Company followed SRK's advice and increased the cut-off grade from 2.0 g/t to 3.0 g/t gold applied to the resource estimate. Although this had the effect of apparently limiting the increase in resources estimated attributable to the additional drilling in 2008, it significantly increased the confidence in the mineralisation controls within the resource blocks and indicated the robust nature of the mineralisation within the range of the cut off grades applied.

The 2008 mineral resource estimate presented in the table below;

The quantum of resources that are indicated within the Chaarat licence area, at a stage when all the principal targets are only partially drilled and many of the outlying targets have yet to be drilled, provides encouragement that this area could be a significant gold district with substantial gold resources, in common with many of the large gold producers in the Tien Shan Belt of Central Asia.

Scoping study

During 2008, Behre Dolbear completed a scoping study based on the mineral resources delineated in the principal advanced project areas. The study indicated that a future notional mining operation at Chaarat may produce at a cash cost of some $458 per ounce of gold over the life of the mine and that such a project would have a Net Present Value of $152 million, assuming a 10% discount rate and a gold price of $750/oz, and have an Internal Rate of Return of 21.6%.

Prefeasibility Study

Following the positive indicative results of the scoping study, the Company immediately commissioned SRK to conduct a prefeasibility study. This study is designed to indicate, with increased confidence, the economic viability of Chaarat as a potential producing mine. The study is also aimed at identifying those components which will have the most significant impact on mine profitability and operation and at testing the various metallurgical, engineering, mining and infrastructure alternatives, prior to commissioning a feasibility study.

The prefeasibility study is scheduled to be completed during the second half of 2009.

Geotechnology

As an integral part of the prefeasibility study, various rock mechanics and geotechnical tests have been conducted, principally in the adit in the C5300 Project Area. The preliminary results indicated limited competence of the rock in the geochemically altered material immediately associated with the

At 3.0g/t Cut-off	Indicated Resources			Inferred Resources			Total Resources		
Zone	Tonnage (kt)	Grade (g/t Au)	Contained Gold (koz)	Tonnage (kt)	Grade (g/t Au)	Contained Gold (koz)	Tonnage (kt)	Grade (g/t Au)	Contained Gold (koz)
Main Zone Totals / Averages	6,531	4.30	904	4,992	4.33	693	11,523	4.31	1,597
Contact Zone Totals / Averages	3,673	4.18	492	6,829	4.23	930	10,502	4.21	1,422
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Grand Totals / Averages	11,846	4.32	1,644	12,294	4.29	1,694	24,140	4.30	3,338

"The exploration potential of these gold-in-soil anomalies in the Tulkubash Zone is considerable and may be equal to, or larger than, the known resources in the Main and Contact zones."

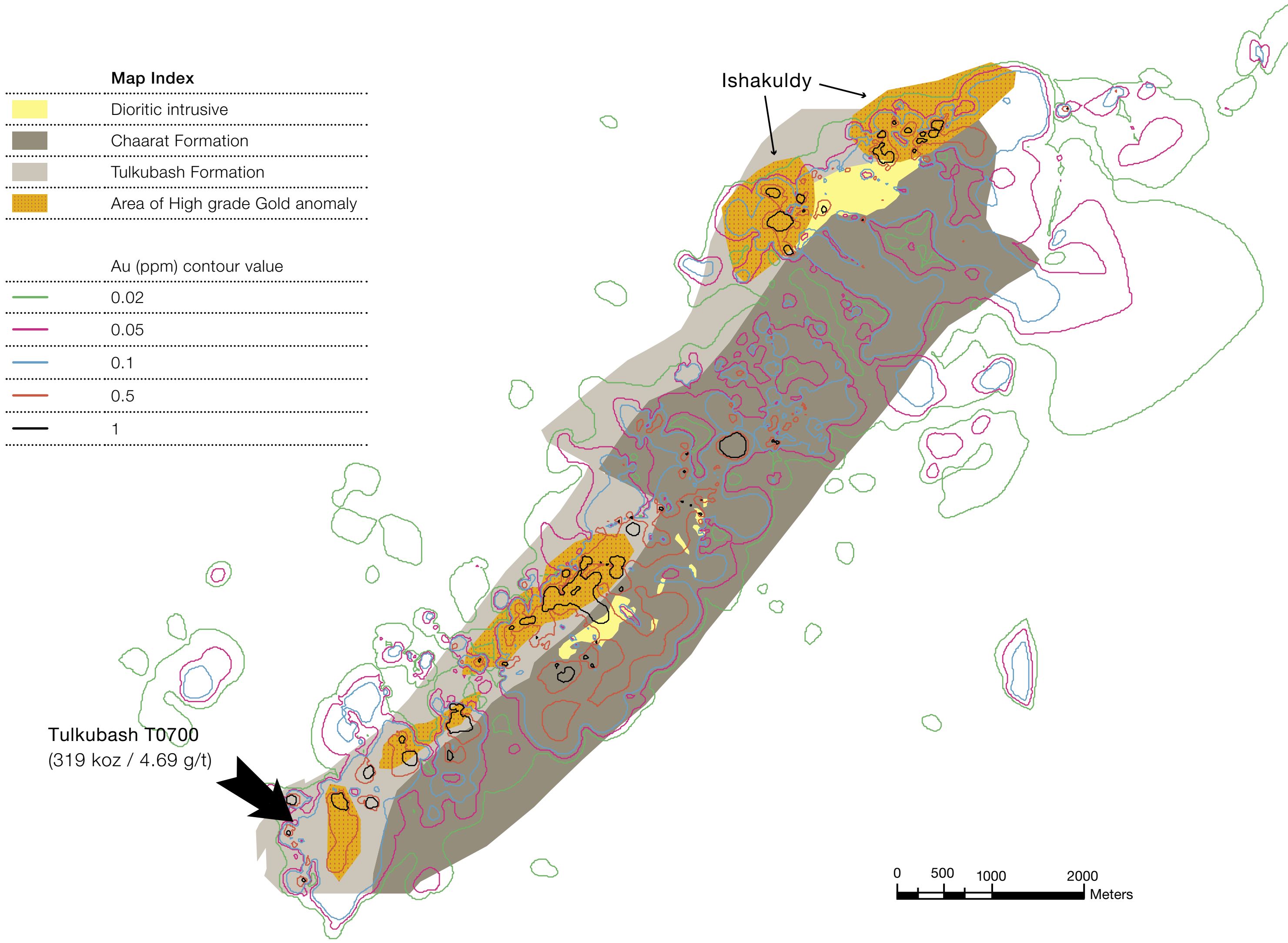
- Behre Dolbear, Scoping Study, 2008

mineralisation, a common feature elsewhere in similarly altered rocks. This will be addressed as the tests continue and as the layout of any future mining operations are designed and planned.

Metallurgy

In last year's report, we stated that Resource Development Inc ("RDI") had successfully tested a process route in the laboratory to obtain a 94% to 96% recovery of gold, based on a pressure oxidation process followed by a carbon in leach ("CIL") process. Given the importance of ensuring that the optimal process is selected, prior to committing to a feasibility study, we have continued with the metallurgical test work during this year. Clearly the optimal process would address all of: the metallurgical properties of the mineralisation, infrastructure, and appropriate technologies for the area and environmental aspects, as well as the optimal capital and operating cost implications. To this end, larger representative samples from the exposure of mineralisation in the adit on the C5300 Project Area have been subjected to further testing at RDI as well as at Mintek, in Johannesburg, South Africa. This work will include tests on the applicability of all the established oxidation technologies including pressure oxidation, bioxidation and roasting and subsequent gold recovery performance.

• *Map showing soil anomalies of the Chaarat project areas*



Infrastructure

There has been significant progress during the year on a number of aspects of infrastructure. We have continued with studies on power supply alternatives for any future mining operations, advancing the hydrological studies that would impact on a decision to utilise hydroelectricity. In addition the impact of generators, which could be utilised in the initial years of production, is also being studied.

The entire licence area has been resurveyed with the aid of satellite imagery and the necessary ground controls, in order to provide an accurate survey framework for a mining operation. In addition, an option for an upgraded access route has been surveyed by contractors, Maccaferri, who are undertaking the design process.

The Year Ahead

During 2009, the Company will focus on completing the prefeasibility study, continuing with operations related to increasing the resource and providing required input to the prefeasibility study. Further geotechnical and hydrological work will be undertaken. In addition, the metallurgical test work will continue and studies on the optimal mining methods and mining costs will benefit from the exposure of the mineralised zone in the adit.

On 11 May 2009, the Company completed a limited fund raising of GBP 2.2million. We were delighted that many of our existing shareholders demonstrated their support of Chaarat by subscribing for additional shares. This successful fund raising will ensure that the Company can achieve the above objectives.

Dekel Golan
Chief Executive Officer

Directors' Biographies

Mr Dekel Golan

Chief Executive Officer, Age 52

Dekel Golan is a graduate of Tel Aviv University. Mr Golan, formerly president of Apex Asia LDC, a subsidiary of Apex Silver Mines Limited, has extensive experience in promoting and developing businesses both in emerging economies as well as the developed world. Dekel was the founder and Executive Chairman of African Plantations Corporation Limited. In addition, he has advised a number of international and Israeli companies on business development and competitive intelligence. Prior to those activities Dekel was Vice President of Business Development of Supersol, the largest retail operator in Israel and established and managed the unit for competitive intelligence for Dead Sea Bromine Group, the world's largest bromine producer.

Mr Alexander Novak

Executive Director, Age 53

Alex Novak is a graduate of the Kazakh Polytechnic Institute (M.Sc). Alex has assisted several companies investing in Kyrgyzstan in various aspects of finance, administration and representation vis a vis the local authorities since 2000. Alex has more than 25 years experience in various aspects of business management in Central Asia including negotiations with governmental institutions, contractors, preparation of development plans, monitoring of operations and public relations. He was instrumental in drafting and signing investment agreements between the government of the Kyrgyz Republic and two extraction companies, Textonic and Kumushtak, a subsidiary of Apex Silver Mines Limited. From 1992 to 1995, Alex was a founding partner and a director of Maya Elev Diamond Limited, a diamond processing plant in Russia. From 1978 through to 1990, Alex held several positions at numerous construction companies in Kazakhstan, including Director of KazS troiMontajAvtomatika.

Mr Christopher David Palmer-Tomkinson

Non-Executive Chairman, Age 67

Christopher Palmer-Tomkinson graduated from Oxford University with a degree in jurisprudence and joined Cazenove in 1963. He served as a partner from 1972 until 2001 and as managing director international corporate finance until May 2002. He was responsible at various times for Cazenove's African and Australian business which enabled him to focus on the resource sector. Christopher is also a former director of Highland Gold Mining Limited.

Mr Stuart Robert Comline

Non-Executive Director, Age 59

Stuart Comline is a graduate of the University of Natal South Africa (B.Sc Hons.Geology) and University of Western Ontario (M.Sc Geology). Stuart was Chairman, and formerly President and Chief Operating Officer, of AfriOre Limited, a TSX and AIM listed company until January 2007, when the company was purchased by Lonmin Plc. He has 35 years of experience in the international exploration and mining industry mostly in Africa and Canada.
He spent 20 years with JCI Limited, in a number of senior management positions including General Manager of Exploration. In the mid-nineties he was an independent consultant and worked with merchant banks and major and junior exploration companies within the mining and exploration field until joining AfriOre Limited in 1997. Stuart has experience in various commodities including gold, platinum, base metals, diamonds and coal. He is currently an independent advisor to several mineral exploration companies and serves Talon Metals Corporation, a TSX listed mining and mineral exploration company, as the interim CEO and President.

Mr Oliver Raymond Greene

Non-Executive Director, Age 65

Oliver Greene is a graduate in Politics, Philosophy and Economics from Oxford University. A career banker, he has over forty years experience as a practitioner in international corporate finance, credit and corporate recovery in the US and Central and Eastern Europe. He has held senior positions at Citibank, Bankers Trust, Chase Manhattan Bank and UBS. In 1998, following the Russian crisis, he accepted an invitation to join the European Bank for Reconstruction & Development (EBRD) as Director of Corporate Recovery and on his retirement in 2003 he became a consultant to the EBRD, an appointment that continues. Since 2004 he has been a member of the Supervisory Board and Chairman of the Audit Committee of Bank Pekao S.A Warsaw (a publicly listed Unicredito Group subsidiary) and is a member of the Supervisory Boards of Korado AS in the Czech Republic and Estonia Cell in Estonia.

Directors' Report

The Directors present their report and audited financial statements for the year ended 31 December 2008.

Principal Activities and Business Review

The principal activity of the Group is exploration for gold in the Kyrgyz Republic. The principal activities of the Company are those of a holding, management and finance company.

In common with many exploration groups, the Group raises finance for its exploration and appraisal activities in discrete tranches which finance its activities for limited periods. Further fundraising is undertaken as and when required.

Reviews of operations and business developments are reported on in the Chairman's Report, the Chief Executive's Operations Report and within the details of the Financial Statements. The Financial Statements set out the financial position of the Group.

Dividends and Profit Retention

The results for the year are set out in the Consolidated Income Statement on page 18. No dividend is proposed in respect of the year (2007: nil). The loss for the year of USD 11,912,364 (2007: USD 6,540,346) has been taken to reserves.

Directors

The Directors who served during the year were:

D Golan
T Cross (resigned 31 December 2008)
C Palmer-Tomkinson
A Novak
S Comline
O Greene

In accordance with the Company's Articles of Association at least one third of the directors must retire by rotation at each Annual General Meeting, and may stand for re-appointment at the Meeting. Accordingly, directors retiring by rotation are Christopher Palmer-Tomkinson and Alexander Novak. Both, being eligible, offer themselves for re-appointment.

Directors' Interests

Share Interests

The directors of the Company who held office at 31 December 2008 held the following beneficial interests, either directly or indirectly, (including interests held by spouses, minor children or associated parties) in the ordinary shares of the Company at 11 May 2009:

	Number of Shares	Number of Options over Shares
D Golan	11,554,033	2,400,000
A Novak	8,960,400	1,500,000
C Palmer-Tomkinson	5,875,000	300,000
S Comline	-	300,000
O Greene	120,000	300,000
	26,509,433	**4,800,000**

Share Capital and Substantial Share Interests

Details of the Company's share capital are disclosed in note 14 of the financial statements.

On 11 May 2009, the Company was aware of the following holdings of 3% or more in the Company's issued share capital:

	Number of Shares	%
Cazenove Capital Management *	12,304,710	13.61
D Golan	11,554,033	12.78
A Novak	8,960,400	9.91
Scarborough Minerals Plc	6,801,300	7.52
Serra Choa Management Limited	6,241,800	6.90
C Palmer-Tomkinson *	5,875,000	6.50
First State Investments	5,445,450	6.02
Rab Capital Limited	3,175,000	3.51

* **Note:** Cazenove Capital Management held a total of 18,179,710 shares of which 5,875,000 represented the holdings of C Palmer-Tomkinson, shown separately above.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable company law and International Financial Reporting Standards. Company law and generally accepted best practice requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Group and of the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the

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directors are required to:

- Select suitable accounting policies and then apply them consistently.
- Make judgments and estimates that are reasonable and prudent.
- State whether applicable International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the BVI Business Companies Act 2004. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

Corporate Governance

The Board is committed to maintaining high standards of corporate governance. The Listing Rules of the Financial Services Authority incorporate the Combined Code, which sets out the principles of Good governance, and the Code of Best Practice for listed companies. Whilst the Company is not required to comply with the Combined Code, the Company's corporate governance procedures take due regard of the principles of Good Governance set out in the Combined Code in relation to the size and the stage of development of the Company. The board is assisted in this regard by the remuneration and audit committees:

The remuneration committee

The remuneration committee comprises Stuart Comline as Chairman, Christopher Palmer-Tomkinson and Dekel Golan. The committee meets as required during each financial year. The committee met once in 2008. It is responsible for reviewing the performance of the executive Directors and for setting the scale and structure of their remuneration, having due regard to the interests of Shareholders as a whole and the performance of the Group. The remuneration committee also administers the Company's share option arrangements. The remuneration of the non-executive Directors is reviewed by the Board.

Directors' emoluments are disclosed in note 5 to the financial statements. Directors' share options are disclosed under 'Directors' Interests' above.

The audit committee

The audit committee comprises Oliver Greene as Chairman and Christopher Palmer-Tomkinson. The committee meets on at least two occasions each financial year. It reviews the Company's interim and annual financial statements before submission to the Board for approval, as well as regular reports from management and the external auditors on accounting and internal control matters. Where appropriate, the audit committee monitors the progress of action taken in relation to such matters. The audit committee also recommends the appointment of, and reviews the fees of, the external auditors.

Going concern

At 31 December 2008 the Company had cash and cash equivalents of USD 1.4million and no borrowings. However the Company successfully completed a Private Placement on 11 May 2009 raising funds of GBP2.2million. The cash position of the Group after the fund raising was approximately GBP 2.3million. Based on a review of the Company's budgets and cash flow plans and the flexibility to alter these to suit prevailing circumstances, the Board considers this is sufficient to maintain the Company as a going concern for a period of over twelve months from the date of signing the annual report and accounts. As is typical in the industry, to complete a feasibility study and bring the project to production will require further funding.

Provision of information to auditors

In the case of each of the directors who are directors of the Company at the date when this report is approved:

- So far as they are individually aware, there is no relevant audit information of which the Company's auditors are unaware; and
- Each of the directors has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of the information.

Auditors

A resolution for the reappointment of Grant Thornton UK LLP will be proposed at the forthcoming annual general meeting. Grant Thornton UK LLP have expressed their willingness to continue as auditors of the Company.

Dekel Golan
Chief Executive Officer

Report of the Independent Auditor to the members of Chaarat Gold Holdings Ltd

We have audited the group (consolidated) financial statements of Chaarat Gold Holdings Ltd for the year ended 31 December 2008 which comprise the principal accounting policies, the consolidated income statement, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in shareholders' equity and notes 1 to 24. These group financial statements have been prepared under the accounting policies set out therein.
This report is made solely to the company's members, as a body, in accordance with the BVI Business Companies Act 2004. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the group (consolidated) financial statements in accordance with BVI law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the group (consolidated) financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the group financial statements give a true and fair view and whether the group financial statements have been properly prepared in accordance with the BVI Business Companies Act 2004. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. The information given in the Directors' Report includes that specific information presented in the Chairman's Report and the Chief Executive's Operations Report that is cross referred from the Principal Activities and Business Review section of the Directors' Report.

In addition we report to you if, in our opinion, we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited group (consolidated) financial statements. The other information comprises only the Directors' Report, the Chairman's Report and the Chief Executive's Operating Report. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the group financial statements. Our responsibilities do not extend to any other information.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the group financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the group financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the group financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the group financial statements.

Opinion

In our opinion:

- the group financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the group's affairs as at 31 December 2008 and of its loss for the year then ended;
- the group financial statements have been properly prepared in accordance with the BVI Business Companies Act 2004; and
- the information given in the Directors' Report is consistent with the financial statements.

GRANT THORNTON UK LLP
REGISTERED AUDITOR
CHARTERED ACCOUNTANTS
London
15 May 2009

Consolidated Income Statement

For the years ended 31 December

	Note	2008 USD	2007 USD
Exploration expenses		(8,244,068)	(5,298,560)
Administrative expenses		(2,461,734)	(1,460,486)
Share options expense		(752,345)	(163,306)
Other operating expense		(34,998)	(2,852)
Operating loss		(11,493,145)	(6,925,204)
Foreign exchange loss	6	(645,972)	-
Financial income	6	226,753	384,858
Loss for the year, attributable to equity shareholders of the Parent		(11,912,364)	(6,540,346)
Loss per share (basic and diluted) – USD cents	15	(16.57)c	(11.21)c

All amounts relate to continuing activities.

Consolidated Balance Sheet

At 31 December

	Note	2008 USD	2007 USD
Assets			
Non-current assets			
Intangible assets	7	99,473	4,797
Property, plant and equipment	8	2,022,414	1,215,273
Other receivables	10	-	37,740
		2,121,887	1,257,810
Current assets			
Inventories	11	59,587	475,846
Trade and other receivables	12	434,610	742,433
Cash and cash equivalents	13	1,375,445	13,128,822
		1,869,642	14,347,101
Assets held for sale	9	39,562	-
		1,909,204	14,347,101
Total assets		**4,031,091**	**15,604,911**
Liabilities and equity			
Equity attributable to shareholders			
Share Capital	14	718,834	718,834
Share premium	14	15,665,928	15,665,928
Other reserves		11,782,189	11,048,357
Foreign currency reserve		(595,888)	(408,059)
Retained losses		(23,889,711)	(11,995,860)
		3,681,352	15,029,200
Current liabilities			
Trade payables	16	69,525	401,253
Accrued liabilities	17	280,214	174,458
		349,739	575,711
Total liabilities and equity		**4,031,091**	**15,604,911**

The financial statements were approved and authorised for issue by the Board of Directors on 15 May 2009.

Dekel Golan
Chief Executive Officer

15 May 2009

Consolidated Statement Of Changes In Equity

For the years ended 31 December

	Note	Share capital USD	Share premium USD	Retained losses USD	Other reserves USD	Translation reserve USD	Total USD
Balance at 31 December 2006		3,431	6,454,707	(5,455,514)	-	11,801	1,014,425
Currency translation		-	-	-	-	(419,860)	(419,860)
Net loss recognised directly in equity		-	-	-	-	(419,860)	(419,860)
Loss for the year ended 31 December 2007		-	-	(6,540,346)	-	-	(6,540,346)
Total recognised income and expense for the year attributable to equity shareholders of the Company		-	-	(6,540,346)	-	(419,860)	(6,960,206)
Issuance of shares and options for cash, pre reverse acquisition		308	4,750,232	-	248,509	-	4,999,049
Transfer to reserves - reverse acquisition*		(3,739)	(11,204,939)	-	11,208,678	-	-
Share for share exchange – reverse acquisition*		572,136	-	-	(572,136)	-	-
Share options expense		-	-	-	163,306	-	163,306
Issuance of shares for cash		146,698	18,119,004	-	-	-	18,265,702
Share issue costs		-	(2,453,076)	-	-	-	(2,453,076)
Balance at 31 December 2007		718,834	15,665,928	(11,995,860)	11,048,357	(408,059)	15,029,200
Currency translation		-	-	-	-	(187,829)	(187,829)
Net income recognised directly in equity		-	-	-	-	(187,829)	(187,829)
Loss for the year ended 31 December 2008		-	-	(11,912,364)	-	-	(11,912,364)
Total recognised income and expense for the year		-	-	(11,912,364)		(187,829)	(12,100,193)
Share options lapsed		-	-	18,513	(18,513)	-	-
Share options expense		-	-	-	752,345	-	752,345
Balance at 31 December 2008	14(b)	718,834	15,665,928	(23,889,711)	11,782,189	(595,888)	3,681,352

* The transfers to reserves during 2007 represent the issued share capital and share premium of subsidiary Chaarat Gold Limited prior to its reverse acquisition of Chaarat Gold Holdings Ltd

Consolidated Cash Flow Statement

For the years ended 31 December

	Note	2008 USD	2007 USD
Operating activities			
Loss for the year before and after tax		**(11,912,364)**	**(6,540,346)**
Adjustments:			
Amortisation expense intangible assets	7	21,791	430
Depreciation expense property, plant and equipment	8	613,029	200,415
Loss on disposal of property, plant and equipment	3	19,701	3,541
Finance income	6	(226,753)	(263,558)
Share based payment charges		752,345	163,306
Foreign exchange		618,990	87,875
Decrease/(Increase) in inventories		416,259	(475,846)
Decrease/(Increase) in accounts receivable		393,189	(633,208)
Decrease/(Increase) in accounts payable		(225,972)	490,859
Net cash flow used in operations		**(9,529,785)**	**(6,966,532)**
Investing activities			
Purchase of computer software	7	(116,467)	(5,227)
Purchase of property plant and equipment	8	(1,642,604)	(1,297,372)
Proceeds from sale of equipment		41,885	13,750
Purchase of assets held for sale	9	(39,562)	-
Loans issued	10	(93,316)	-
Loans repaid	10	53,360	40,000
Interest received	6	219,084	203,079
Net cash used in investing activities		(1,577,620)	(1,045,770)
Financing activities			
Proceeds from issue of share capital	14	-	23,264,751
Issue costs		-	(2,453,076)
Net cash from financing activities		**-**	**20,811,675**
Net change in cash and cash equivalents		**(11,107,405)**	**12,799,373**
Cash and cash equivalents at beginning of the year		**13,128,822**	**846,573**
Effect of changes in foreign exchange rates		(645,972)	(517,124)
Cash and cash equivalents at end of the year	**13**	**1,375,445**	**13,128,822**

Notes To The Financial Statements

For the years ended 31 December

01 General information

The Group consists of Chaarat Gold Holdings Ltd, (the Company), registered in British Virgin Islands, together with its subsidiaries Chaarat Gold Limited, registered in Guernsey, and Closed Joint-Stock Company Chaarat Zaav CJSC, registered in the Kyrgyz Republic (collectively the "Group").

The Company was incorporated on 20 July 2007 (registration number 1420336) in British Virgin Islands, and acts as the ultimate holding company for the Group. The Company is listed on the Alternative Investment Market of the London Stock Exchange.

The legal address of the Company is: Palm Grove House, PO Box 438, Road Town, Tortola, British Virgin Islands, VG1110. The Group's principal place of business is at: Chokmorova Street, 127, 720040, Bishkek, Kyrgyzstan.

Chaarat Gold Limited, registered in Guernsey, acts as an intermediate holding company.

The principal activity of Chaarat Zaav CJSC, the Kyrgyz Subsidiary, is the exploration of the Chaarat Licence Area (the ''Resource'') under a licence for geological exploration (the ''Licence'') issued by the State Agency on Geology and Mineral Resources under the Government of the Kyrgyz Republic (the "SAGMR"). In July 2008 the SAGMR extended the term of the Licence for a further two years from 1 January 2009 until 31 December 2010 by way of Licence Agreement no. 6. This was superseded on 22 April 2009 by way of Licence Agreement no. 7. The Licence extension applies to the entire 604 square kilometre property, as the Licence is not subject to any relinquishment requirements. The provisions of the licence require its renewal every two years, as is standard for exploration licences in the region. Renewal is subject to evidence of meeting minimum reporting and expenditure requirements, all of which the directors believe are being and will continue to be met. On 25 December 2008 the SAGMR issued an official letter confirming that all Licence Agreement conditions had been observed to that date. The licence has previously been renewed on five similar occasions and the directors expect routine renewal for the two years commencing 1 January 2011.

02 Accounting policies

Overall considerations

The significant accounting policies, areas of judgement and significant estimates that have been used in the preparation of these consolidated financial statements are summarised below:

- During the exploration phase of operations, all exploration costs are expensed in the Income Statement as incurred. The Mining exploration and development costs accounting policy below provides further detail. The key judgement implicit in this policy will be the determination of the future date upon which development of the property is judged to be commercially viable and development commenced.

- A provision of 100% is made against VAT recoverable, in view of the uncertainty of the timing or ultimate recoverability of these amounts. Note 10 provides further detail. The key to any re-assessment of this policy would be the first successful claims for refund of VAT input taxes. This possibility is judged to be some years into the future.

- Depreciation rates detailed below are considered by management to fairly reflect the expected useful lives of the respective asset categories. The Property, plant and equipment accounting policy below provides further detail.

- No deferred tax assets are recognised in view of the uncertainty of the timing or ultimate recoverability of such amounts. Note 18 provides further detail. This is a key judgement in that the amounts potentially involved are not capable of reasonably accurate computation and are uncertain of recovery. The key point at which this policy is expected to be capable of review will be at the time when the project is proven to be commercially viable.

- The directors accounted for the Company's acquisition in the year ended 31 December 2007 as a reverse acquisition by way of a share exchange, by its operating subsidiary, Chaarat Gold Limited. At the time of the share exchange on 7 September 2007, the Company was recently incorporated, had no business and had nil net asset value. The Group's consolidated financial statements are presented as a continuation of the financial statements of its subsidiary, Chaarat Gold Limited.

Basis of accounting

The financial information has been prepared in accordance with International Financial Reporting Standards (IFRSs and

IFRIC interpretations) as adopted by the European Union. As detailed under 'Basis of consolidation' below, the acquisition of the Company in 2007 was treated as a reverse acquisition by its operating subsidiary, without the presence of goodwill. The principal accounting policies adopted in the preparation of the historical financial information are set out below. The policies have been consistently applied.

Going Concern
At 31 December 2008, the Company had cash and cash equivalents of USD 1.4million and no borrowings. However the Company successfully completed a Private Placement on 11 May 2009 raising funds of GBP2.2million. The cash position of the Group after the fund raising was approximately GBP 2.3million. Based on a review of the Company's budgets and cash flow plans and the flexibility to alter these to suit prevailing circumstances, the Board considers this is sufficient to maintain the Company as a going concern for a period of over twelve months from the date of signing the annual report and accounts. As is typical in the industry, to complete a feasibility study and bring the project to production will require further funding.

Accounting Standards and Interpretations not yet applied

The directors together with their advisers are in the process of evaluating the impact of standards and/or interpretations that have not yet become effective. Listed below are those standards and/or interpretations most likely to impact the Group:

- IAS 1 Presentation of Financial Statements (revised 2007) (effective 1 January 2009)
- IAS 23 Borrowing Costs (revised 2007) (effective 1 January 2009)
- IAS 27 Consolidated and Separate Financial Statements (Revised 2008) (effective 1 July 2009)
- Amendment to IFRS 2 Share-based Payment - Vesting Conditions and Cancellations (effective 1 January 2009)
- Amendment to IFRS 7 Financial Instruments: Disclosures - Improving Disclosures About Financial Instruments (effective 1 January 2009)
- IFRS 3 Business Combinations (Revised 2008) (effective 1 July 2009)
- IFRS 8 Operating Segments (effective 1 January 2009)

Based on the Group's current business model and accounting policies it is felt that these standards and/or interpretations are unlikely to have a material impact on the Group's earnings or shareholders' funds.

The amendment to IAS 1 Financial statement presentation released in September 2007 redefines the primary statements and expands on certain disclosures within these. Once adopted the Group's primary statements will be amended to reflect the presentation required.

Measurement convention
The financial statements are prepared on the historical cost basis.

Basis of consolidation
Where the Company has the power, either directly or indirectly, to govern the financial and operating policies of another entity or business so as to obtain benefits from its activities, that entity or business is classified as a subsidiary. The consolidated financial statements present the results of the Company and its subsidiaries as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full. As permitted by BVI law the Company has not presented its own financial information.

On 7 September 2007, the Company became the legal parent company of Chaarat Gold Limited in a share for share exchange transaction. The substance of the transaction was effectively that Chaarat Gold Limited acquired Chaarat Gold Holdings Ltd by way of reverse acquisition. Chaarat Gold Limited was the acquirer in the transaction in that Chaarat Gold Holdings Ltd at the time of acquisition was a shell with no net assets, compared with the more substantial value of its acquiror subsidiary, Chaarat Gold Limited. Furthermore, the subsidiary's management determined the selection of the management team of the combined entity.

The consolidated income statement for the year ended 31 December 2007 consolidated the results of Chaarat Gold Limited for the whole year and those of Chaarat Gold Holdings Ltd from 7 September 2007, the date of the reverse acquisition. The consolidated income statement for the year ended 31 December 2008 consolidated the results of both companies for the whole year.

Functional currency of the parent
Management have concluded that the US dollar is the currency of the primary economic environment in which the entity operates because a significant portion of the transactions and settlements of the Company are influenced by the US Dollar. The Company's assets and liabilities are largely denominated and settled in US Dollars. The US Dollar is the currency in which management manages business risks and exposures, and measures the performance of its business.

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Capital management policies and procedures
The Company considers in its management of capital all components included in shareholders' equity and its debt obligations. Its objectives are to ensure that the Company will continue to operate as a going concern in order to pursue the development of its mineral properties, to sustain future development and growth as well as to maintain a flexible capital structure which optimizes the cost of capital at an acceptable risk. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue shares, seek debt financing, or acquire or dispose of assets. The Company, on approval from the Board of Directors, will make changes to its capital structure as deemed appropriate under specific circumstances.

Cash and cash equivalents
Cash includes petty cash and cash held in current bank accounts. Cash equivalents include short-term investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

Interest
Interest is recognised using the effective interest method which calculates the amortised cost of a financial asset and allocates the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Property, plant and equipment
Property, plant and equipment are stated at cost, excluding the costs of day-to-day servicing, less any subsequent accumulated depreciation and impairment losses. The historical cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the assets to their working condition and location for their intended use. Cost includes professional fees but borrowing costs are not capitalised. Depreciation of these assets commences when the assets are ready for their intended use.

Depreciation is charged on each part of an item of property, plant and equipment so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method. Depreciation is charged to the income statement. Land is not depreciated. The estimated useful lives are as follows:

Buildings	5 years
Office equipment	2.5 to 3 years
Machinery and equipment	3 years
Motor vehicles	5 years
Furniture and facilities	3 to 5 years
Leasehold improvements	3 years

Expenses incurred in respect of the maintenance and repair of property, plant and equipment are charged against income when incurred. Refurbishments and improvements expenditure, where the benefit is expected to be long lasting, is capitalised as part of the appropriate asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.

Intangible assets - Computer software
Computer software is initially capitalised at cost and amortisation is provided on a straight line basis over a period of 3 years. The carrying value is regularly reviewed and a provision made in the year that impairment or obsolescence is determined by management to have occurred.

Non-current assets classified as held for sale
Assets held for sale include assets that the group intends and expects to sell within one year from the date of classification as held for sale. Assets classified as held for sale are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. Assets classified as held for sale are not subject to depreciation or amortisation.

Inventories
Inventories consist of equipment spares and consumables which are stated at the lower of cost or net realisable value. Net realisable value is the estimated value in use for the exploration work for which inventories are acquired.

Impairment testing
Individual assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may exceed its fair value or value in use. Any such excess of carrying value over fair value or value in use is taken as a debit to the income statement.

Leased assets
In accordance with IAS 17, the economic ownership of a leased asset is transferred to the lessee if the lessee bears substantially all the risks and rewards related to the ownership of the leased asset. The related asset is recognised at the time of inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments plus incidental payments, if any, to be borne by the lessee. A corresponding amount is recognised as a finance leasing liability. Leases of land and buildings are split into land and buildings elements according to the relative fair values of the leasehold interests at the date the asset is initially recognised or the date of entering into the lease agreement.

The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the income statement over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the income statement on a straight line basis over the lease term. Lease incentives are spread over the term of the lease.

Mining exploration and development costs
During the exploration phase of operations, all costs are expensed in the Income Statement as incurred.

A subsequent decision to develop a mine property within an area of interest is based on the exploration results, an assessment of the commercial viability of the property, the availability of financing and the existence of markets for the product. Once the decision to proceed to development is made, exploration, development and other expenditures relating to the project are capitalised and carried at cost with the intention that these will be depreciated by charges against earnings from future mining operations over the relevant life of mine on a units of production basis. Expenditure is only capitalised provided it meets the following recognition requirements:

- completion of the project is technically feasible and the company has the ability to and intends to complete it;
- the project is expected to generate future economic benefits;
- there are adequate technical, financial and other resources to complete the project; and
- the expenditure attributable to the development can be measured reliably.

No depreciation is charged against the property until commercial production commences. After a mine property has been brought into commercial production, costs of any additional work on that property are expensed as incurred, except for large development programmes, which will be deferred and depreciated over the remaining life of the related assets.

The carrying values of exploration and development expenditures in respect of each area of interest which has not yet reached commercial production are periodically assessed by management and where it is determined that such expenditures cannot be recovered through successful development of the area of interest, or by sale, the expenditures are written off to the income statement.

Taxation
Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill or on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries and joint ventures is not provided if reversal of these temporary differences can be controlled by the group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited directly to equity, in which case the related deferred tax is also charged or credited directly to equity.

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Equity
Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- "Other reserves" represent the issued share capital and share premium of subsidiary Chaarat Gold Limited, plus the equity component of share options issued.
- "Foreign currency reserve" represents the differences arising from translation of investments in overseas subsidiaries.
- "Retained losses" include all current and prior period results as disclosed in the income statement.

Foreign currency
In accordance with International Accounting Standard 21, transactions entered into by group entities in a currency other than the currency of the primary economic environment in which they operate (the ''functional currency'') are recorded at the rates ruling when the transactions occur. Foreign currency monetary assets and liabilities are translated at the rates ruling at the balance sheet date. Exchange differences arising on the retranslation of unsettled monetary assets and liabilities are similarly recognised immediately in the income statement. The presentational currency is the US dollar. This is also the functional currency of the Company and is considered by the Board also to be appropriate for the purposes of preparing the Group financial statements.

On consolidation, the results of overseas operations are translated into US dollars, the presentational currency, at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the balance sheet date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at the actual rate are recognised directly in equity.

The exchange rates at year-end used by the Group in the preparation of the historical financial information are as follows:

	2008	2007
Kyrgyz Som (KGS) to 1 US dollar (USD)	39.4181	35.4988
Kyrgyz Som (KGS) to 1 UK pound (GBP)	57.0450	70.9017
US dollar (USD) to 1 UK pound (GBP)	1.4472	1.9973

Share-based employee remuneration
The Company operates equity-settled share-based remuneration plans for remuneration of some of its employees. The Company awards share options to certain Company Directors and employees to acquire shares of the Company.

All goods and services received in exchange for the grant of any share-based payment are measured at their fair values. Where employees are rewarded using share-based payments, the fair values of employees' services are determined indirectly by reference to the fair value of the instrument granted to the employee.

The fair value is appraised at the grant date and excludes the impact of non-market vesting conditions. Fair value is measured by use of the Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

All equity-settled share-based payments are ultimately recognised as an expense in the income statement with a corresponding credit to ''other reserves''.

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options the proceeds received net of attributable transaction costs are credited to share capital and, where appropriate, share premium.

Retirement and other benefit obligations
The Group does not offer any pension arrangements other than the State pension system of the Kyrgyz Republic, which requires current contributions by the employer, calculated as a percentage of current gross salary payments; such expense is charged in the period the related salaries are earned. The Group does not have any obligations in respect of post-retirement or other significant compensation benefits.

Financial instruments
The Group's financial assets comprise cash and cash equivalents and loans and receivables. Financial assets are assigned to the respective categories on initial recognition, depending on the purpose for which they were acquired.

The Group's loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables are measured at fair value on initial recognition. After initial recognition they are measured at amortised cost using the effective interest rate method, less any provision for impairment. Any change in their value is recognised in profit or loss. The Group's trade and most other receivables fall into this category of financial instruments. Discounting is omitted where the effect of discounting is immaterial. All receivables are considered for impairment on a case-by-case basis when they are past due at the balance sheet date or when objective evidence is received that a specific counterparty will default.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities. Any instrument that includes a repayment obligation is classified as a liability.

Where the contractual liabilities of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities, and are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any features meeting the definition of a financial liability then such capital is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

03 Operating loss

The operating loss is stated after charging/crediting:

	2008 USD	2007 USD
Depreciation of property, plant and equipment	613,029	200,415
Operating lease expenses	66,530	50,642
Share based payment charges	752,345	163,306
Loss on sale of fixed assets	19,701	3,541
Loss / (Gain) on foreign exchange	645,972	(121,300)
Provision for advance payments to sub-contractors	2,870	-
Impairment of loans receivable	64,000	-
Auditors' remuneration	36,752	69,377
Reporting Accountant’s fees for Initial Public Offering	-	193,114

The increase in Administration expenses from 2007 to 2008 results from the effect of a full year of staff costs incurred in the second half of 2007 and as a result of a full year of the additional costs the Company incurs as a result of its public listing on the Alternative Investment Market.

04 Staff numbers and costs

	2008 Number	2007 Number
Management and administration	21	16
Operations	59	32
Total	80	48

The aggregate payroll costs of these persons were as follows:

	2008 USD	2007 USD
Staff wages and salaries	1,062,241	292,931
Social security and other pension costs	172,904	3,792
Employee share based payment charges	37,149	-
Directors' remuneration as detailed in note 5		
Wages and salaries	940,555	602,760
Share based payment charge	561,960	120,207
	2,774,809	1,019,690

The Company employed 6 Directors during 2008 (2007: 6 directors), as detailed in note 5. The related party consultancy service costs of these key personnel are detailed in note 20.

Share based payment charges relate to the notional charge attributed to share options granted in the years to 31 December 2008.

05 Directors' remuneration

The costs of certain directors' services were charged to the Company via consultancy companies, as separately detailed below and in related parties note 20, rather than directly as short-term employment costs. During 2008 no bonus was paid to any of the directors (2007: Nil).

	2008 USD	2007 USD
Wages and salaries (including bonus)		
Paid directly	169,325	94,155
Paid via related party consultancy companies	771,230	508,605
Share based payment charge	561,960	120,207
Total	1,502,515	722,967

The highest paid director received emoluments totalling USD 370,164 (2007: USD 239,407) and share based payments of USD 285,257 (2007: USD 59,429)

Share based payment charges relate to the notional charge attributed to share options granted in the years to 31 December 2008.

Details of individual directors' remuneration are shown below

	2008 USD	2007 USD
Mr D Golan (paid via related party, Mada Consulting Pte Limited)	370,164	239,407
Mr A Novak (paid via related party, Vetan Limited)	188,784	162,161
Mr T Cross (paid via related party, Central Asia Services Limited)	212,282	107,037
Mr T Cross (paid directly)	44,475	22,346
Mr C Palmer-Tomkinson (paid directly)	34,913	22,773
Mr S Comline (director's and consulting fees, paid directly)	50,988	41,834
Mr O Greene (paid directly)	38,949	7,202

Details of each director's share options and interests in the Company's shares are shown in the Directors' Report on page 15.

06 Finance income and expenses

Finance expenses

	2008 USD	2007 USD
Foreign exchange loss	645,972	-

Finance income

	Note	2008 USD	2007 USD
Interest on cash and cash equivalents		219,084	203,079
Foreign exchange gain		-	121,300
Unwinding of discount on loan	10	2,260	60,479
Loan interest receivable		5,409	-
		226,753	384,858

07 Intangible assets - Computer software

Cost	USD
At 31 December 2006	-
Additions	5,227
At 31 December 2007	5,227
Additions	116,467
At 31 December 2008	121,694

Amortisation	USD
At 31 December 2006	-
Charge for the year	430
At 31 December 2007	430
Charge for the year	21,791
At 31 December 2008	22,221

Net book value	
At 31 December 2008	99,473
At 31 December 2007	4,797

08 Property, plant and equipment

	Buildings USD	Machinery & equipment USD	Office equipment USD	Furniture and facilities USD	Motor vehicles USD	Leasehold improvements USD	Total USD
Cost							
At 31 December 2006	42,562	18,701	19,274	3,670	73,260	766	158,233
Additions	10,569	1,099,757	33,722	12,071	133,332	6,921	1,297,372
Disposals	-	-	-	-	(34,407)	(1,104)	(35,511)
Exchange differences	3,281	1,500	2,751	411	7,111	74	15,128
At 31 December 2007	56,412	1,119,958	55,747	17,152	179,226	6,657	1,435,222
Additions	73,418	1,379,894	23,404	4,681	161,139	68	1,642,604
Disposals	-	(10,808)	(5,058)	(728)	(58,195)	-	(74,789)
Exchange differences	(10,764)	(179,538)	(6,831)	(1,983)	(25,056)	(667)	(224,839)
At 31 December 2008	119,066	2,309,506	67,262	19,122	257,184	6,058	2,778,198
Depreciation							
At 31 December 2006	2,722	5,210	7,438	1,519	14,901	226	32,016
Charge for the year	9,482	145,994	12,183	3,648	26,719	2,389	200,415
Disposals	-	-	-	-	(17,874)	(346)	(18,220)
Exchange differences	333	777	1,531	251	2,810	36	5,738
At 31 December 2007	12,537	151,981	21,152	5,418	26,556	2,305	219,949
Charge for the year	18,151	524,945	20,111	5,343	41,405	3,074	613,029
Disposals	-	(463)	(3,214)	(141)	(9,385)	-	(13,203)
Exchange differences	(2,521)	(51,941)	(3,290)	(904)	(4,890)	(445)	(63,991)
At 31 December 2008	28,167	624,522	34,759	9,716	53,686	4,934	755,784
Net book value							
At 31 December 2008	90,899	1,684,984	32,503	9,406	203,498	1,124	2,022,414
At 31 December 2007	43,875	967,977	34,595	11,734	152,740	4,352	1,215,273

The Group's property, plant and equipment are free from any mortgage or charge.

09 Assets held for sale

	Note	2008 USD	2007 USD
Assets held for sale		39,562	-

Assets held for sale are recorded at cost. A crane acquired by the Company during the year is being marketed for sale with an expected sale within 12 months.

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10 Other receivables

Long term receivables

	Note	2008 USD	2007 USD
VAT balance at 31 December		1,631,582	1,105,817
Less provision		(1,631,582)	(1,105,817)
VAT recoverable amount		-	-
Long term portion of Alaurum loan		-	37,740
Long term receivables		-	37,740

VAT Recoverable

The Group's subsidiary is a registered value added tax payer in the Kyrgyz Republic and therefore has a right to be reimbursed for value added tax paid on purchased goods and services. The Group's management believes that the subsidiary would be able to recover the value added tax through the sale of the antimony by-products of gold and antimony production.

Consequently, the recovery of this asset is dependent on the successful development of the Resource and commercial production. In accordance with Kyrgyz Republic tax laws, the Group would only be able to recover that portion of VAT paid which was accumulated only for the purpose of antimony production. The Group's management has provided in full against this asset as at 31 December 2008 and 31 December 2007 due to uncertainty regarding the timing of recovery.

Non-current portion of long term loan

In the prior year the non-current receivable consisted of the non-current portion of a non-interest bearing loan of USD 160,000 granted during 2006 to CJSC Alaurum. The loan was initially recorded at its fair value, estimated at USD 77,736. This amount reflected the net present value of the future cash flows receivable by the Group using an effective discount rate of 3.41% per annum. A reconciliation of the movements in this loan balance is set out in the following table.

	Note	2008 USD	2007 USD
Balance at beginning of year		76,787	56,308
Fair value of loan		76,787	56,308
Repaid in year		(40,000)	(40,000)
Discount unwinding	6	2,260	26,539
Other	6	-	33,940
Balance due at end of year		39,047	76,787

Of which:			
recorded as current other asset		39,047	39,047
recorded as non-current other receivable		-	37,740

The loan balances recorded above are unsecured.

11 Inventories

	Note	2008 USD	2007 USD
Goods in transit		56,542	-
Equipment spares and consumables		3,045	475,846
		59,587	475,846

Inventories of spare parts and consumables are recorded at the lower of cost price or estimated value in future use. They are not held for re-sale but are transferred to profit and loss as and when used in the Company's exploration activities.
No write-downs or reversals have occurred during the respective periods.
No inventories are pledged against payables or other obligations.

12 Trade and other receivables

	Note	2008 USD	2007 USD
Advance payments to sub-contractors		349,234	648,919
Reserve for advance payments to sub-contractors		(2,870)	-
Loans to sub-contractors	10	108,823	39,047
Prepayments		-	54,467
Other receivables		43,423	-
Provisions for impairment of loans		(64,000)	-
		434,610	742,433

Receivables that are less than three months past due are not considered impaired. As of 31 December 2008, receivables of USD 10,081 (2007: USD 30,502) were past due but not impaired. The ageing analysis of these receivables is as follows:

	Note	2008 USD	2007 USD
Up to 3 months		491,399	711,931
3 to 6 months		7,211	30,502
Over 6 months		2,870	-
Total		501,480	742,433

Advance payments and loans to sub-contractors
Property, Plant and Equipment with a cost value of USD 490,000 has been pledged as security by sub-contractors against advances and loans made by the Company.

The advance payments were made in relation to contracts entered into with service sub-contractors to provide working capital for those companies. The advance payments are to be repaid by way of deductions from works performed.

The short-term carrying values are considered to be a reasonable approximation of the fair value.

Loans to sub-contractors
The loans to sub-contractors were made in relation to contracts entered into with service sub-contractors to finance the acquisition of equipment for use in those contracts. Loans have been impaired on the basis that their recoverability is uncertain.

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13 Cash and cash equivalents

Cash and cash equivalents at 31 December consisted of the following:

	2008 USD	2007 USD
Short-term deposits held in Guernsey	1,317,380	13,030,932
Short-term deposits held in the Kyrgyz Republic	46,861	92,163
Cash in hand	11,204	5,727
	1,375,445	13,128,822

14 Share Capital and Share Premium Accounts

The share capital of Chaarat Gold Holdings Ltd consists of ordinary shares of a single class. All shares have equal rights to receive dividends or capital repayments and all shares represent one vote at meetings of Chaarat Gold Holdings Ltd.

(a) Authorised and issued share capital

	Number of Shares	Nominal Value
Chaarat Gold Limited - ordinary shares of £0.01 each		
Authorised at 31 December 2007 and 2008	1,000,000	GBP 10,000
Issued and fully paid up at 31 December 2007 and 2008	1,000,000	GBP 10,000
Chaarat Gold Holdings Ltd - ordinary shares of USD 0.01 each		
Authorised at 31 December 2007 and 2008	500,000,000	USD 5,000,000
Issued and fully paid up at 31 December 2007 and 2008	71,883,433	USD 718,834

(b) Potential issue of ordinary shares

Share options

At 31 December 2008 the Company had 7,375,000 options (2007: 6,540,000) outstanding for the issue of ordinary shares, as follows:

Grant dates	Exercisable from	Exercisable to	Exercise price	Balance 2007	Number granted 2008	Number lapsed 2008	Balance 2008
16 Oct 2007	1 July 2008	1 July 2016	GBP 0.54	180,000	-	-	180,000
16 Oct 2007	1 July 2009	1 July 2017	GBP 0.54	180,000	-	180,000	-
16 Oct 2007	1 July 2010	1 July 2018	GBP 0.54	180,000	-	180,000	-
16 Oct 2007	16 Oct 2007	16 Oct 2017	USD 1.0633	300,000	-	-	300,000
16 Oct 2007	16 Oct 2007	16 Oct 2015	USD 1.0633	300,000	-	-	300,000
16 Oct 2007	8 Nov 2007	16 Oct 2017	USD 0.9166	5,100,000	-	-	5,100,000
2 Nov 2007	2 Nov 2008	2 Nov 2016	USD 1.0633	100,000	-	-	100,000
2 Nov 2007	2 Nov 2009	2 Nov 2017	USD 1.0633	100,000	-	-	100,000
2 Nov 2007	2 Nov 2010	2 Nov 2018	USD 1.0633	100,000	-	-	100,000
30 Jun 2008	31 Dec 2008	31 Dec 2016	GBP 0.54	-	202,000	-	202,000
30 Jun 2008	31 Dec 2009	31 Dec 2017	GBP 0.54	-	209,000	-	209,000
30 Jun 2008	31 Dec 2010	31 Dec 2018	GBP 0.54	-	244,000	-	244,000
30 Jun 2008	30 Jun 2009	30 Jun 2017	GBP 0.54	-	180,000	-	180,000
30 Jun 2008	30 Jun 2010	30 Jun 2018	GBP 0.54	-	180,000	-	180,000
30 Jun 2008	30 Jun 2011	30 Jun 2019	GBP 0.54	-	180,000	-	180,000
Total options outstanding at 31 December 2008				**6,540,000**	**1,195,000**	**360,000**	**7,375,000**
Weighted average exercise price				USD 0.953	USD 1.077	USD 1.123	USD 0.966

The number of options exercisable at 31 December 2008 amounted to: 6,182,000 (2007: 5,700,000).

Costs associated with share options issued during the year

No options were exercised during the year. The fair value of options granted during the year has been assessed by using the Black-Scholes Option Valuation Model, using the following inputs:

	Issue date 30 June
Share price when issued, based on most recent share placing	USD 0.7978
Exercise prices	USD 1.0770
Expected volatility	74.09%
Expected life	3.5 years
Risk free rate (US Federal Funds Rate)	2.0%
Expected dividends	Nil

At the date of the option issue, the Company had only 7 months' share trading history from which to assess its expected volatility. The expected volatility used in the Valuation Model has been derived from the weighted average 7 months' volatility of the Company and 35 months' volatility of a proxy of nine AIM listed gold exploration companies for whom trading data was available over the relevant periods.

A total of USD 752,345 (2007: USD 163,306) of employee remuneration expense has been included in the consolidated income statement.

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15 Loss per share

Loss per share is calculated by reference to the loss for the year of USD 11,912,364 (2007: USD 6,540,346) and the weighted number of shares in issue during the year of 71,883,433 (2007: 58,366,390).
There is no dilutive effect of share options.

16 Trade payables

Trade payables at 31 December consisted of the following:

	2008 USD	2007 USD
Trade payables	65,844	395,348
Social security and employee taxes	3,434	5,905
Other taxes	247	-
	69,525	401,253

The above listed payables were all unsecured.

Trade payables at 31 December 2008 included amounts owed to related parties as follows:

USD Nil (2007: USD 12,790) owed to Mr Y Diner, consulting geologist and shareholder of the Company,
USD 14,834 (2007: USD 6,096) owed to director, Mr S Comline,
USD Nil (2007: USD 25,861) owed to Mada Consulting Pte Limited, a company controlled by director Mr D Golan.
USD 20,260 (2007: USD nil) owed to director, Mr O Greene
USD 19,175 (2007: USD nil) owed to director, Mr C Palmer-Tomkinson

17 Other payables and accrued liabilities

Other current liabilities at 31 December consisted of the following:

	2008 USD	2007 USD
Accruals	34,026	53,927
Other accruals	246,188	120,531
	280,214	174,458

18 Deferred taxation

Due to the uncertainty surrounding taxation regulations and their implementation, as described in taxation note 19, there can be no accurate assessment of deferred tax assets and liabilities. The current legislation permits generally that the losses of the Kyrgyz subsidiary, Chaarat Zaav, can be carried forward and offset against future profits for a period of five years after the losses are incurred. However, the portion of the subsidiary's taxable losses disclosed in note 19 that qualify for carry-forward is subject to sufficient uncertainty such that no calculation of the potential deferred tax asset has been made.

19 Income tax expense

Tax expense relates only to the Company's Kyrgyz subsidiary, Chaarat Zaav, the Company not being subject to corporate income tax and withholding tax in Guernsey.

The relationship between the expected tax expense based on the standard tax rate for Chaarat Zaav of 10% for the year to 31 December 2008 (2007: 10%) and the tax expense actually recognised in the income statement can be reconciled as follows:

	2008 USD 000's	2007 USD 000's
Result of Kyrgyz subsidiary for the year before tax	(11,535)	(4,675)
Tax rate	10%	10%
Expected tax loss carried forward	(1,154)	(468)
Deferred tax not recognised	1,154	468
Current tax expense, net	-	-

Legal entities of the Kyrgyz Republic must individually report taxable income and remit profit taxes to the appropriate authorities.

On 17 October 2008 the Kyrgyz Republic introduced a new tax code with effect from 1 January 2009 intended to clarify the complicated tax system which has been difficult to interpret and has contributed to commercial uncertainty. The lack of clarity and possibility of differing opinions regarding legal interpretation amongst Government bodies could result in severe fines, penalties and interest charges for companies. While the new tax code seeks to improve the situation it is still in the implementation phase and as a result there remain tax risks in the Kyrgyz Republic substantially more significant than typically found in countries with more developed tax systems.

At the balance sheet date the Group has received no tax claims and the management believes that the Group is in compliance with the tax laws affecting its operations; however the risk remains that the relevant authorities could take differing positions with regard to interpretive issues.

As the Group's operations are at a development stage, the Group has no income tax expense for the years ended 31 December 2008 or 2007. The Group did not recognise any deferred tax assets or liabilities at 31 December 2008 or 2007.

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20 Related party transactions

Key management personnel

Key management personnel who were remunerated by the Group during the periods under review were Messrs. D. Golan, A. Novak and T. Cross. Messrs. D. Golan and A. Novak charged for their services via entities under their control, being Mada Consulting Pte Limited and Vetan Investments Limited, respectively. A portion of Mr T. Cross's remuneration was paid by Central Asia Services Limited, a company controlled by Mr D Golan and contracted to provide management services to the Group.

The costs charged by Mada Consulting Pte Limited were in respect of remuneration for Mr D. Golan's professional services. Costs charged by Vetan Investments Limited include the remuneration of Mr A. Novak. Costs charged by Central Asia Services Limited include the remuneration of Mr T. Cross. The remuneration of the directors of the Company is included in the income statement, detailed in note 5, for the periods ended 31 December 2008 and 2007. The remuneration of Central Asia Services Limited, in addition to the salary of Mr T. Cross, has been charged to administration expenses in the income statement.

	2008 USD	2007 USD
Expenses charged:		
Mada Consulting Pte Limited (in respect of Mr D Golan)	370,164	239,407
Vetan Investments Limited (in respect of Mr A Novak)	188,784	162,161
Central Asia Services Limited (in respect of Mr T Cross's salary)	212,282	107,037
Central Asia Services Limited (for other management services)	307,345	94,571
	1,078,575	603,176
Amounts payable at 31 December	63,677	25,861

Vetan Investments Limited charged a total of USD 229,546 (2007: USD 162,161) which includes the amounts detailed above relating to the remuneration of Mr A. Novak.

The Remuneration Committee recommended an increase in the remuneration of Mr D. Golan by £44,000 per annum with effect from 1 January 2008. The USD 63,677 that this represents will be paid when the Company has raised sufficient funds.

Transactions with other related parties

During the year the Group provided geological and geology support services to Kyrex Limited. Mr J. Diner, a shareholder of the Company and formerly VP Geology, continued to provide consulting services to the Group but those services, previously invoiced directly, were invoiced through Kyrex Limited in 2008. Kyrex Limited charged the Group USD 200,875 (2007: USD nil) of which USD 75,186 (2007: USD 102,050 charged directly) related to the consultancy fees of Mr J. Diner. At 31 December 2008 there was USD nil payable to Kyrex Limited (2007: USD nil) and USD nil payable in relation to Mr Diner's consulting services (2007: USD 12,790).

The Group charged Kyrex Limited USD 25,667 (2007: USD nil) for the rental of mining equipment.

Many of the Chaarat shareholders, directors and officers, including Messrs D. Golan, A. Novak, C. Palmer-Tomkinson and H. Lopes are also shareholders or officers of Kyrex Limited.

During the year Smith's Corporate Advisory Limited provided corporate advisory services to the Group. The expenses charged amounted to USD 88,839 (2007: USD 24,344) and the amount outstanding at 31 December 2008 was USD 5,789 (2007: USD nil). Mr D. Palmer-Tomkinson, son of Mr C. Palmer-Tomkinson, is a director of Smith's Corporate Advisory Limited.

During the year the Group received drilling, geological, and other sub-contracting services totalling USD 2,121,978 including 20% VAT (2007: USD: 50,360) from Geoservices KG LLC ("Geoservices"). Geoservices has been assisting the Group in geological consultancy works since 2005 and in 2008, following unsatisfactory performance by two mining contractors and a drilling contractor, Chaarat decided to support the development of Geoservices to a fully fledged exploration contractor. Geoservices Limited, the holding company of Geoservices KG LLC, is owned by Mr B. Miletsky, ex father-in-law of Mr A. Novak. Geoservices KG LLC is 99% owned by Geoservices Limited and 1% nominally owned by Mr B. Goldenshtein, ex brother-in-law of Mr A. Novak.

At 31 December 2008 the amount receivable from Geoservices as advanced against works to be performed in 2009 including the maintenance of the site during the winter period was USD 317,597 (2007: USD nil). The Group has a pledge over USD 290,000 of assets held by Geoservices.

21 Commitments and contingencies

Capital expenditure commitment
The Company had no commitments at 31 December 2008 (2007: USD 208,003) in respect of capital expenditure contracted for but not provided for in these financial statements.

Operating lease commitments
Details of operating lease commitments are set out in note 22 below.

Tax issues
The Kyrgyz Republic currently has a number of laws related to various taxes imposed by both state and regional governmental authorities, that are subject to review and investigation by a number of authorities which have the right by law to impose significant fines, penalties and interest charges. These facts create tax risks in Kyrgyzstan substantially more significant than typically found in countries with more developed tax systems.

Proposed changes to mining legislation
Mining legislation within the Kyrgyz Republic is currently undergoing some major revision with a new draft of “Law on Subsoil” proposed by the State Agency on Geology and Mineral Resources under the Government of the Kyrgyz Republic (the “SAGMR”). The draft includes proposals to change the licence structuring and to introduce Licence retention fees to encourage licence holders to use their licence areas in the most effective way. Neither is expected to have a material impact on the Group’s affairs. Enactment is scheduled to take place in 2009.

Current economic and political environment
The Kyrgyz Republic continues to undergo substantial political, economic and social changes. As an emerging market, the Kyrgyz Republic does not possess a well-developed business and regulatory infrastructure that would generally exist in a more mature market economy.

Furthermore, the Kyrgyz Government has not yet fully implemented the reforms necessary to create banking, judicial, taxation and regulatory systems that usually exist in more developed markets. As a result, operations in the Kyrgyz Republic involve risks that are not typically associated with those in developed markets. Although in recent years inflation has not been significant, certain risks persist in the current environment with results that include, but are not limited to, a currency that is not freely convertible outside of the country, certain currency controls and immature debt and equity markets.

The Group could be affected for the foreseeable future by these risks and their consequences. As a result, there are significant uncertainties that may affect future operations, the recoverability of the Group's assets and the ability of the Group to maintain or meet its obligations as they mature. The historical financial information does not include any adjustments that may result from the future

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clarification of these uncertainties. Such adjustments, if any, will be reported in the Company's financial statements in the period when they become known and estimable.

Licence agreements

According to Licence Agreement no. 7 dated 22 April 2009 (which is an integral part of the Licence for geological exploration), Chaarat Zaav is required to spend not less than 40 million Kyrgyz Som (approximately USD 1 million at the rate of exchange at 31 December 2008) annually during 2009 and 2010.

According to a licence agreement dated 22 November 2006 which is an integral part of the Licence for geological exploration of the Resource, Chaarat Zaav was required to invest not less than USD 500,000 in the years ended 31 December 2007 and 2008.

Site restoration liability

According to Kyrgyz legislation and the licence agreement, Chaarat Zaav is committed to restore working areas on the deposit. The restoration is only required to be made if Chaarat Zaav ceases its (exploration) operations on the deposit. At 31 December 2008, management did not make an estimate of restoration liability because there was no intention to cease operations and the cost of restoration was deemed immaterial.

22 Operating leases

Non-cancellable operating lease liabilities of the Group relating to rental of property are as follows:

	2008 USD	2007 USD
Less than one year	50,000	66,000
Between one and two years	35,417	66,000
Between three and five years	-	46,750
	85,417	178,750

23 Risk management objectives and policies

The Group is exposed to a variety of financial risks which result from its operating activities. The Group's risk management is coordinated by the executive directors, in close co-operation with the board of directors, and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets.

The Group does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed are described below.

Credit risk

The Group's only significant credit risk is on cash at bank, held principally at an independently ‘A’ rated bank. No significant cash amounts are held at banks rated less than ’B’. Cash is held either on current account or on short-term deposit at floating rates of interest determined by the relevant prevailing base rate. The fair value of cash and cash equivalents at 31 December 2008 and 2007 did not differ materially from its carrying value.

The Group has no material exposure to receivables risk as it currently has no sales revenues.

Market risk
The Group's financial instruments affected by market risk include bank deposits, trade receivables and trade payables. The following analysis, required by IFRS 7, is intended to illustrate the sensitivity of the Group's financial instruments (as at year end) to changes in market variables, being exchange rates and interest rates.

The sensitivity analysis has been prepared on the basis that the components of financial instruments in foreign currencies are all constant, as in place at 31 December 2008. As a consequence, this sensitivity analysis relates to the position as at 31 December 2008.

The following assumptions were made in calculating the sensitivity analysis:

- All income statement sensitivities also impact equity.
- The majority of debt and other deposits are carried at amortised cost and therefore carrying value does not change as interest rates move.
- Translation of foreign subsidiaries and operations into the Group's presentation currency have been excluded from the sensitivity.

Using the above assumptions, the following tables show the illustrative effect on the income statement and equity that would result from possible changes in the foreign currency or interest rates:

US$000's	Income statement	Equity
2008 projection:	Profit/(loss)	
0.25% fall in US interest rates	(2)	(2)
2% fall in UK interest rates	(13)	(13)
3% increase in US interest rates	21	21
3% increase in UK interest rates	20	20
20% fall in value of GBP vs USD	(105)	(105)
20% increase in value of GBP vs USD	105	105

Interest rate risk
The Group holds short term bank deposits on which short term fluctuations in the interest rate receivable are to be expected.

Foreign currency risk
The Group carries out expenditure transactions substantially in US dollars, with a lesser amount in GBP pounds. Fund-raising has taken place mainly in GBP pounds. Any resulting gains or losses are recognised in the income statement.

Exchange rate exposure arises principally from the Group's holdings of cash in GBP pounds, from the Kyrgyz subsidiary's inter-company loan exposure and from the foreign currency translation risk arising on exposure to the local currency denominated net assets of the Kyrgyz operating subsidiary.

To mitigate the Group's exposure to foreign currency risk, cash holdings have recently been adjusted to more closely represent the expected short term profile of expenditure by currency. Apart from these resultant offsets, no further hedging activity is undertaken.

Foreign currency denominated financial assets and liabilities, translated into US dollars at the closing rate were as follows:

		2008 USD'000's			2007 USD'000's	
Nominal amounts	GBP	KGS	Other	GBP	KGS	Other
Financial assets	665	77	118	12,916	383	41
Financial liabilities	(142)	(1,215)	(33)	(196)	(11,315)	(37)
Short term exposure	523	(1,138)	85	12,720	(10,932)	4

→

Fair value of financial instruments
The fair value of the Group's financial instruments at 31 December 2008 and 2007 did not differ materially from their carrying values.

The Group does not have any long term borrowings, nor does it hold any derivative financial instruments.

Liquidity risk
The Group, at its present stage of development, has no sales revenues. It therefore finances its operations through the issue of equity share capital and debt in order to ensure sufficient cash resources are maintained to meet short-term liabilities. Management monitors availability of funds in relation to forecast expenditures in order to ensure timely fundraising. Funds are raised in discreet tranches to finance activities for limited periods. Funds surplus to immediate requirements are placed in liquid, low risk investments.

The Group's ability to raise finance is partially subject to the price of gold, from which eventual sales revenues are to be derived. While the gold price has recently increased substantially, there can be no certainty as to the future price.

24 Post balance sheet events

On 1 May 2009 the Company announced the closing of a placing of 18,558,281 new Ordinary Shares at 12p per share, representing approximately 20.5% per cent of the issued ordinary share capital immediately after the placing, to raise approximately GBP2.2million. The enlarged share capital after the placing was 90,441,714 shares. Trading of the new shares commenced on the AIM market of the London Stock Exchange on 11 May 2009.

Notice Of Annual General Meeting

Chaarat Gold Holdings Ltd (the "Company")

Notice is given that the Annual General Meeting of the Company in relation to the financial year ended 31 December 2008 will be held on 25 June 2009 at 11:00am at Granary House, The Grange, St Peter Port, Guernsey GY1 2QG to consider and, if thought fit, pass the following resolutions:

Ordinary Resolutions

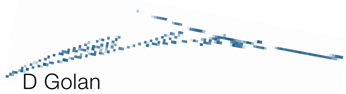
1. To receive, consider and approve the audited financial statements of the Company for the year ended 31 December 2008 (the "2008 Annual Report and Accounts").
2. To re-appoint Grant Thornton UK LLP, of Grant Thornton House, Melton Street, London NW1 2EP as auditors of the Company.
3. To authorise the directors to determine the remuneration of the auditors.
4. To re-elect as a director Alexander Novak who is retiring in accordance with the Company's Memorandum & Articles of Association (the "Articles") (Reg.12.7) and who, being eligible, offers himself for re-election.
5. To re-elect as a director Christopher Palmer-Tomkinson who is retiring in accordance with the Articles (Reg.12.7) and who, being eligible, offers himself for re-election.

Special Resolutions

6. To revoke with immediate effect Special Resolution 6 of the first Annual General Meeting of the Company dated 3 July 2008 modifying the Articles (Reg. 4.7(a)(iii)).
7. To amend the Articles (Reg.4.7(a)(iii)) to read:
   "(iii) such number of Relevant Shares, or a right to subscribe for, or to convert securities (including any debt securities) into, Relevant Shares in the Company:
   (A) in relation to each financial year, as are equal to 30 (thirty) per cent of the aggregate number of issued Shares and rights granted to subscribe for, or to convert securities (including any debt securities) into, Relevant Shares at the beginning of that financial year; or
   (B) such other number and such other period as a Special Resolution of Members may authorise at a meeting of the Members."

8. To generally and unconditionally authorise the Company, pursuant to the Articles (Reg. 4.7(a)(iii)(B)), to allot "Relevant Shares" (as defined in the Articles (Reg.4)) up to a number equal to the aggregate of 30 (thirty) per cent of the number of issued Shares and rights granted to subscribe for, or to convert securities (including any debt securities) into, Relevant Shares on the date of this annual general meeting, provided that:
   1. the authority conferred by this Special Resolution shall be limited to cumulative allotments of Relevant Shares for period from the date of this annual general meeting until 31 December 2009;
   2. this authority shall expire on 31 December 2009, at which time the provisions of the Articles (Reg.4.7(iii)(A)) shall apply; and
   3. the Company may before that expiry make an offer or agreement which would or might require Relevant Shares to be allotted after that expiry date and the Company may allot Relevant Shares in pursuance of that offer or agreement as if the power conferred under this authority had not expired.

Chaarat Gold Holdings Ltd
By Order of the Board



D Golan
Chief Executive Officer
14 May 2009

Registered Office:
Palm Grove House, PO Box 438, Road Town, Tortola, British Virgin Islands, VG1110

Notes:

1. This document is important and requires your immediate attention. If you are in any doubt as to what action to take you are advised to consult an independent advisor.
2. If you have sold or transferred all of your shares, please pass this document and accompanying form to the purchaser, or transferee, or to the agent through whom the transfer was effected for transmission to the transferor or the transferee.
3. Copies of the Annual Report 2008 are posted on the Company's website (www.chaarat.com) and will also be available for inspection at the offices of Central Asia Services Limited, 4th Floor, 6 Conduit Street, London W1S 2XD during normal business hours on any weekday (Saturdays and public holidays excepted) and at the registered office of the Company from the date of this notice until the conclusion of the Annual General Meeting.

Notes for holders of Ordinary Shares

1. You are entitled to attend and vote at the meeting.
2. Holders of more than one Ordinary Share may appoint in writing one or two proxies to attend and, on a poll, to vote in place of them. A proxy need not be a member of the Company.
3. Members (and any proxies or representatives they appoint)

agree, by attending the meeting, that they are expressly requesting and that they are willing to receive any communications (including any communications relating to the Company's securities) made at the meeting.

4. A form of proxy is enclosed with this document. The form of proxy (together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that authority) should be sent to Capita Registrars Limited at:

   Capita Registrars Limited
   The Registry
   34 Beckenham Road
   Beckenham
   Kent
   BR3 4TU

   so as to arrive by 11:00 am on 23 June 2009, i.e. 48 hours before the time of the meeting.

5. The return of a form of proxy by a Member does not preclude that Member from attending the meeting and voting in person if they so wish.
6. Only those holders of Ordinary Shares registered in the relevant register of securities of the Company as at 11:00am on 23 June 2009 (or, if the meeting is adjourned, in the register of relevant securities as at 11:00 a.m. on the day which is two days before the day of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of Ordinary Shares registered in their names at that time. Changes to entries on the relevant register of securities after 11:00am on 23 June 2009 (or, if the meeting is adjourned, in the relevant register of securities after 11:00am on the day which is two days before the day of the adjourned meeting) shall be disregarded in determining the rights of any person to attend or vote at the meeting.
7. If the meeting is adjourned, then the deadline for revised voting instructions will be 48 hours before the time that the adjourned meeting recommences.

Notes for holders of Depositary Interests:

1. Holders of Depositary Interests ("DIs") may vote by directing Capita IRG Trustees Limited ("CITL", the Custodian in respect of the DIs) to cast proxy votes in the manner directed in the enclosed DI voting Form of Direction. Holders wishing to attend and vote at the meeting in person should use that form to request the relevant authorisation from CITL.
2. The DI voting Form of Direction (together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that authority) should be sent to Capita Registrars Limited at:

   Capita Registrars Limited
   The Registry
   34 Beckenham Road
   Beckenham
   Kent
   BR3 4TU

   so as to arrive by 11:00am on 22 June 2009, i.e. to allow CITL sufficient time to lodge the combined proxies in the UK 48 hours before the time of the meeting.
3. Instructions for completing and lodging the DI voting Form of Direction are appended to it.
4. You must be registered as the holder of DIs as at 11:00am on 22 June 2009 for your DI voting instruction to be valid.
5. If the meeting is adjourned, then the deadline for revised voting instructions will be 72 hours before the time that the adjourned meeting recommences.

Chaarat Gold Holdings Ltd

(the "Company")

FORM OF PROXY

(for completion by holders of ordinary shares in the Guernsey Register)

For use at the Annual General Meeting of the Company in relation to the financial year ended 31 December 2008 to be held at Granary House, The Grange, St Peter Port, Guernsey Gy1 2QG on 25 June 2009 at 11:00am.

I / We ....

(in BLOCK CAPITALS please)

of ....

being a shareholder(s) of the above-named Company, appoint the Chairperson of the Meeting or ....

....

to act as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 25 June 2009 and at every adjournment of that meeting and to vote for me/us on my/our behalf as directed below.

Please indicate with an 'X' in the spaces below how you wish your vote to be cast. If no indication is given your proxy will vote for or against the resolutions or abstain from voting as he / she thinks fit.

Ordinary resolutions	**For**	**Against**
1 To approve the audited financial statements for the period ended 31 December 2008		
2 To re-appoint Grant Thornton UK LLP as auditors of the Company		
3 To authorise the directors to determine the remuneration of the auditors		
4 To re-appoint Alexander Novak as a director		
5 To re-appoint Christopher Palmer-Tomkinson as a director		
Special resolutions		
6 To revoke with immediate effect Special Resolution 6 of the first Annual General Meeting of the Company dated 3 July 2008 modifying the Articles (Reg.4.7(a)(iii)).		
7 To amend the Articles (Reg.4.7(a)(iii)) to read: "(iii) such number of Relevant Shares, or a right to subscribe for, or to convert securities (including any debt securities) into, Relevant Shares in the Company: (A) in relation to each financial year, as are equal to 30 (thirty) per cent of the aggregate number of issued Shares and rights granted to subscribe for, or to convert securities (including any debt securities) into, Relevant Shares at the beginning of that financial year; or (B) such other number and such other period as a Special Resolution of Members may authorise at a meeting of the Members."		
8 To generally and unconditionally authorise the Company, pursuant to the Articles (Reg. 4.7(a)(iii)(B)), to allot "Relevant Shares" (as defined in the Articles (Reg.4)) up to a number equal to the aggregate of 30 (thirty) per cent of the number of issued Shares and rights granted to subscribe for, or to convert securities (including any debt securities) into, Relevant Shares on the date of this annual general meeting, provided that: (a) the authority conferred by this annual general meeting shall be limited to cumulative allotments of Relevant Shares for the period from the date of this annual general meeting until 31 December 2009; (b) this authority shall expire on 31 December 2009, at which time the provisions of the Articles (Reg.4.7(iii)(A)) shall apply; and (c) the Company may before that expiry make an offer or agreement which would or might require Relevant Shares to be allotted after that expiry date and the Company may allot Relevant Shares in pursuance of that offer or agreement as if the power conferred under this authority had not expired.		

Notes

1. If any other proxy is preferred, strike out the words "Chairperson of the Meeting" and add the name and address of the proxy you wish to appoint and initial the alteration. The proxy need not be a member.
2. If the appointer is a corporation this form must be completed under its common seal or under the hand of some officer or attorney duly authorised in writing.
3. The signature of any one of joint holders will be sufficient but the names of all the joint holders should be stated.
4. To be valid, this form and the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of that power must reach Capita Registrars Limited, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, not less than 48 hours before the time appointed for holding the Annual General Meeting or adjourned meeting, as the case may be.
5. The completion of this form will not preclude a member from attending the meeting and voting in person.
6. Any alteration of this form must be initialled.

Signed

....

Dated ..../................./ 2009

FOLD 1

AFFIX
STAMP
HERE

FOLD 2

Capita Registrars
The Registry

34 Beckenham Road
Beckenham
Kent
BR3 4TU

FOLD 3 (then turn in)

Chaarat Gold Holdings Ltd

(the "Company")

FORM OF DIRECTION

(for completion by holders of Depositary Interests)

Form of direction for completion by holders of Depositary Interests representing shares on a one for one basis in the Company in respect of the Annual General Meeting of the Company in relation to the financial year ended 31 December 2008 at Granary House, The Grange, St Peter Port, Guernsey GY1 2QG on 25 June 2009 at 11:00am.

I / We ....

of ....

Please insert full name(s) and address(es) in BLOCK CAPITALS

being a holder of Depositary Interests representing shares in the Issuer Company instruct Capita IRG Trustees Limited, the Depositary, to vote for me/us and on my/our behalf in person or by proxy at the Annual General Meeting of the Company to be held on the above date (and at any adjournment of that meeting) as directed by an X in the spaces below.

Ordinary resolutions	For	Against
1 To approve the audited financial statements for the period ended 31 December 2008		
2 To re-appoint Grant Thornton UK LLP as auditors of the Company		
3 To authorise the directors to determine the remuneration of the auditors		
4 To re-appoint Alexander Novak as a director		
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Special resolutions		
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7 To amend the Articles (Reg.4.7(a)(iii)) to read: "(iii) such number of Relevant Shares, or a right to subscribe for, or to convert securities (including any debt securities) into, Relevant Shares in the Company: (A) in relation to each financial year, as are equal to 30 (thirty) per cent of the aggregate number of issued Shares and rights granted to subscribe for, or to convert securities (including any debt securities) into, Relevant Shares at the beginning of that financial year; or (B) such other number and such other period as a Special Resolution of Members may authorise at a meeting of the Members."		
8 To generally and unconditionally authorise the Company, pursuant to the Articles (Reg. 4.7(a)(iii)(B)), to allot "Relevant Shares" (as defined in the Articles (Reg.4)) up to a number equal to the aggregate of 30 (thirty) per cent of the number of issued Shares and rights granted to subscribe for, or to convert securities (including any debt securities) into, Relevant Shares on the date of this annual general meeting, provided that: (a) the authority conferred by this annual general meeting shall be limited to cumulative allotments of Relevant Shares for the period from the date of this annual general meeting until 31 December 2009; (b) this authority shall expire on 31 December 2009, at which time the provisions of the Articles (Reg.4.7(iii)(A)) shall apply; and (c) the Company may before that expiry make an offer or agreement which would or might require Relevant Shares to be allotted after that expiry date and the Company may allot Relevant Shares in pursuance of that offer or agreement as if the power conferred under this authority had not expired.		

NOTES:

1. To be effective, this form of direction and the power of attorney or other authority (if any) under which it is signed, or a notarially or otherwise certified copy of that power or authority, must be deposited at Capita Registrars, The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 72 hours before the time appointed for holding the meeting.
2. Any alterations made to this form of direction should be initialled.
3. In the case of a corporation this proxy should be given under its Common Seal or under the hand of an officer or attorney duly authorised in writing.
4. Please indicate how you wish your votes to be cast by placing "X" in the box provided. On receipt of this form duly signed, you will be deemed to have authorised Capita IRG Trustees Limited to vote, or to abstain from voting, as per your instructions. If no voting instruction is indicated, Capita IRG Trustees Limited will abstain from voting on such resolution.

Signed

....

Dated ..../................../ 2009

FOLD 2

AFFIX
STAMP
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Capita Registrars
The Registry

34 Beckenham Road
Beckenham
Kent
BR3 4TU

FOLD 3 (then turn in)

FOLD 1

Directors and Advisrs

Directors

C Palmer-Tomkinson	Non-executive Chairman
D Golan	Chief Executive Officer
A Novak	Executive Director
S R Comline	Non-executive Director
O R Greene	Non-executive Director

Company Secretary
Chateau Management Limited
PO Box 693
Hamilton Estate
Charlestown
Nevis
Tel +41 22 316 6620
lee@chateaufid.ch

Registered Office
Palm Grove House
PO Box 438
Road Town, Tortola
British Virgin Islands, VG1110
Registered Number 1420336

Kyrgyz Republic Office
Chaarat Zaav CJSC
Chokmorova Street, 127
720040, Bishkek
Kyrgyz Republic

Web Site
www.chaarat.com

Auditors
Grant Thornton UK LLP
Grant Thornton House
Melton Street
London, NW1 2EP

Registrars
Capita Registrars (Guernsey) Ltd
2nd Floor, No 1 Le Truchot
St Peter Port
Guernsey

Depositary
Capita IRG Trustees Limited
The Registry
34 Beckenham Road
Beckenham
Kent, BR3 4TU

Principal Bankers
Royal Bank of Scotland International
Royal Bank Place
1 Glategny Esplanade
St Peter Port
Guernsey

Nominated Advisor and Broker
Canaccord Adams Limited
Cardinal place, 7th Floor
80 Victoria Street
London, SW1E 5JL

Solicitors (UK)
Watson, Farley & Williams LLP
15 Appold Street
London, EC2A 2HB

Solicitors (Guernsey)
Ogier
Ogier House,
St. Julien's Avenue
St. Peter Port
Guernsey, GY1 1WA

Solicitors (BVI)
Ogier
Qwomar Complex, 4th Floor
PO Box 3170 Road Town
Tortola
British Virgin Islands, VG 1110

Solicitors (Kyrgyz Republic)
Kalikova & Associates
71 Erkindik Boulevard
Bishkek, 720040
Kyrgyz Republic


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