

Chaarat Gold Holdings Ltd

("Chaarat" or "the Company")

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

Road Town, Tortola, British Virgin Islands (10 February 2010).

Chaarat (AIM:CGH) is pleased to announce encouraging results from two drives and eight drill holes in the underground section of Project Area C5300, part of the area in the Company's licence known as the "Contact Zone". Chaarat holds a licence over 100 per cent of a 604 km² area in Kyrgyzstan (the "Chaarat Gold Property"). The Company has identified three parallel zones of gold mineralisation within the Chaarat Gold Property: the Main Zone, the Contact Zone and the Tulkubash Zone.

The Contact Zone has been delineated over a strike length of 1,340 metres and is host to a JORC compliant resource of 1.42 million ounces at a grade of 4.21 g/t, representing approximately 43 per cent of the overall resource of the Chaarat Gold Property of 3.34Moz at a grade of 4.30 g/t gold.

The Contact Zone has been further sub-divided into three project areas C5300, C4600 and C4000. This announcement together with a location map can be found at www.chaarat.com/press-releases.

Highlights (True widths)

Project C5300	CCH09UG008	7.50m	at	4.21 g/t Au
	CCH09UG009	8.94m	at	4.06 g/t Au
	CCH09UG009	7.82m	at	4.34 g/t Au
	CCH09UG010	6.26m	at	4.13 g/t Au
	CCH09UG010	4.47m	at	5.01 g/t Au
	Drive S-2	21.00m	at	3.72 g/t Au
	CCH09UG001	14.30m	at	3.48 g/t Au
	CCH09UG001	6.50m	at	5.97 g/t Au
	CCH09UG011	18.00m	at	3.66 g/t Au
	<i>including</i>	<i>7.84m</i>	<i>at</i>	<i>5.37 g/t Au</i>
	CCH09UGDC18	14.85m	at	3.82 g/t Au
	<i>including</i>	<i>8.66m</i>	<i>at</i>	<i>4.92 g/t Au</i>
	CCH09UGDC18A	4.95m	at	5.11 g/t Au
	CCH09UGDC18A	9.90m	at	4.17 g/t Au
	CCH09UGDC11	9.00m	at	7.00 g/t Au
	Drive N-1	15.83m	at	4.03 g/t Au
	<i>including</i>	<i>5.36m</i>	<i>at</i>	<i>5.36 g/t Au</i>

Dekel Golan, CEO of Chaarat, comments *"These results are additional evidence of management's view that the Contact Zone represents a large viable mining target and will form part of the revised resource statement, which will be released later this quarter. The C5300 Project Area demonstrates excellent continuity and persistent wide intersections that will allow the Company to pursue, with increased confidence, its intention to establish a low cost bulk mining operation on these wide zones of mineralisation".*

General Description of the Contact Zone

The Contact Zone is one of three major mineralisation trends where resources had been defined and calculated by SRK at the end of 2008. To date, a 1.42 million ounce JORC compliant, Indicated and Inferred resource at an average grade of 4.21 g/t Au has been delineated. Most of the resource associated with this strike has been defined to a shallow depth of 300 metres below surface.

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

Within the Contact Zone, the Company has drill tested, partially, only 1340 metres of the zone length and delineated three Project Areas - C5300, C4600 and C4000.

In order to allow better access to the Contact Zone mineralisation at depth, the Company started in 2007 the development of underground workings at 275 metres below the outcrop elevation. After penetrating the mineralised zone a drift was developed parallel to the mineralisation extending 485 metres to the south and 200 metres to the north. Drilling chambers were built to allow drilling towards the mineralised body. A map of the underground work can be seen in the version of this announcement which is to be found on the Company website (www.chaarat.com).

Three drives (sometimes referred to as cross-cuts) were developed through the mineralisation in order to give the Company better access to the face of the mineralised body and enable the collection of bulk samples as well as geotechnical information needed for the mine planning. In addition three drilling chambers were developed to enable drilling down dip.

The main adit intersected the Contact Zone mineralisation along Section 5160 with 22.45 metres (true width) at 5.78 g/t of Au. Subsequent drifting enabled the establishment of three underground drilling chambers from which a total of 6,819 metres were drilled during 2008. Furthermore, during 2008, drill hole CCH08C464 located in the C4600 Project area along Section 4520, intersected 17.97 metres (true width) at 6.21 g/t Au. These encouraging results motivated the further work that was needed to close the gap along strike between the Contact Zone project areas C5300 and C4600.

Project Area C5300

The C5300 Project Area is the northernmost of the three projects along the Contact Zone ore body. The resource calculated for the C5300 project at the end of 2008 has been calculated at 1.01 million ounces at an average grade of 4.27 g/t to a drill defined depth of up to 520m below surface.

During the 2009 exploration season underground drilling to test the C5300 Project Area was conducted from two underground drilling chambers. Three holes were drilled from Drill chamber 1, adding information about the section of the mineralisation above the adit level. Nine additional drill holes were drilled from Drill Chamber 3 adding information about both below and above the adit level.

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

During 2009, the underground development drifting along strike southwards towards Project Area C4600 has continued. Three drives were developed but only the first one has been reported thus far. The second southern drive (Drive S-2) is located on Section 4920 which is 240m south west of the main adit and has further confirmed the strike continuity of mineralisation to the south, towards the C4600 Project area. This drive intersected 24 metres of mineralisation with a true thickness of 21m at 3.72 g/t Au. The northern drive (Drive N-1) was developed along Section 5280 to probe the north eastern continuity of the mineralisation intersected in the adit. This drive intersected 19 metres of mineralisation with a true thickness of 15.83m at 4.03 g/t Au. The details of mineralised intersections along these cross-cuts are presented in Table 1.

Five as yet unreported holes were drilled from Drill chamber 3. The mineralised intersections of all eight drill holes are presented in Table 1. Three of the eight drill holes being reported are located on Section 4880 which is the south western most section of the C5300 Project towards C4600. In addition, one hole each was drilled along sections 4960, 5040, 5200 and two holes were drilled along section 5120. The drilling results from the holes on Section 4880 effectively extend the strike to the south by a further 80 metres to 640 metres, potentially adding significant additional resources. This strike extension to the south further demonstrates the strike continuity and closes the gap between C5300 and the C4600 Project Areas, suggesting that these two project areas may converge to form a large continuous body. The mineralisation in the C5300 Project Area remains open both along strike and down dip.

Table 1: Drill intervals

Hole ID	Section	Drilled from (metres)	Drilled to (metres)	Length (metres)	True width (metres)	Au (g/t)
CCH09UG008	4880	132.00	141.00	9.00	7.50	4.21
CCH09UG008	4880	153.00	159.00	6.00	5.00	3.63
CCH09UG009	4880	142.50	148.50	6.00	4.47	4.65
CCH09UG009	4880	163.50	184.50	21.00	15.64	3.28
including	4880	169.50	181.50	12.00	8.94	4.06
CCH09UG009	4880	196.00	202.00	6.00	4.47	3.96
CCH09UG009	4880	205.50	216.00	10.50	7.82	4.34
CCH09UG010	4880	174.00	177.00	3.00	1.79	2.21
CCH09UG010	4880	180.00	184.00	4.00	2.38	2.64
CCH09UG010	4880	189.00	192.00	3.00	1.79	3.79
CCH09UG010	4880	198.00	222.00	24.00	14.30	2.54
including	4880	201.00	210.00	9.00	5.36	3.26
including	4880	202.50	207.00	4.50	2.68	3.76
CCH09UG010	4880	229.50	234.00	4.50	2.68	2.71
including	4880	229.50	232.50	3.00	1.79	3.21
CCH09UG010	4880	264.00	274.50	10.50	6.26	4.13
including	4880	264.00	271.50	7.50	4.47	5.01
CCH09UG010	4880	280.50	285.00	4.50	2.68	3.5
CCH09UG010	4880	297.00	300.00	3.00	1.79	2.66
Drive S-2	4920	34.00	58.00	24.00	21.00	3.72

including	4920	35.00	39.00	4.00	3.23	4.94
including	4920	45.00	48.00	3.00	2.42	4.99
including	4920	54.00	58.00	4.00	3.23	11.10
CCH09UG001	4960	166.50	171.50	4.50	3.90	2.04
CCH09UG001	4960	175.50	192.00	16.50	14.30	3.48
including	4960	175.50	183.00	7.50	6.50	5.97
CCH09UG011	5040	164.00	195.00	31.00	18.00	3.66
including	5040	164.00	192.00	28.00	16.26	3.93
including	5040	164.00	180.00	16.00	9.29	4.85
including	5040	164.00	177.50	13.50	7.84	5.37
including	5040	187.50	192.00	4.50	2.61	4.63
CCH09UGDC18	5120	81.00	99.00	18.00	14.85	3.82
including	5120	88.50	99.00	10.50	8.66	4.92
including	5120	88.50	93.00	4.50	3.71	7.87
CCH09UGDC18A	5120	45.00	48.00	3.00	2.48	3.68
CCH09UGDC18A	5120	66.00	72.00	6.00	4.95	5.11
CCH09UGDC18A	5120	76.50	88.50	12.00	9.90	4.17
including	5120	78.00	84.00	6.00	4.95	5.44
CCH09UGDC11	5200	33.00	42.00	9.00	9.00	7.00
Drive N-1	5280	29.00	34.00	5.00	3.83	2.22
Drive N-1	5280	40.00	59.00	19.00	15.83	4.03
including	5280	47.00	54.00	7.00	5.36	5.13

QA/QC Procedures: Sampling Methodology and Quality Control

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

Competent Person

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

Chaarat

Chaarat is an exploration company operating in the Kyrgyz Republic with its current main activity being the development of the Chaarat Gold Project. The Chaarat Gold Project is situated within the Middle Tien Shan Mountains of Kyrgyzstan which form part of the Tien Shan gold belt. The Company has thus far delineated a JORC compliant mineral resource of 3.34Moz at a grade of 4.30 g/t gold. A scoping study demonstrating the economic viability of the Chaarat Gold Project was completed at the end of 2008. The Company is currently in the process of compiling a pre-feasibility study. Following the continuous exploration works undertaken during 2009 the Company expects to announce an updated resource report in the first quarter of 2010. Chaarat's objective is to become a low cost gold producer targeting an initial production of over 200,000 ounces per annum by late 2012.

Disclaimer

This press release includes forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond Chaarat's control that would cause the actual results, performance or achievements of Chaarat to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Chaarat's present and future business strategies and the environment in which Chaarat will operate in the future. Any forward-looking statements speak only as at the date of this document. Chaarat expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this document to reflect any change in Chaarat's expectations with regard to these or any change in events, conditions or circumstances on which any such statements are based. As a result of these factors, the events described in the forward-looking statements in this press release may not occur either partially or at all.

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UNDERGROUND DEVELOPMENT (C5300-C4600 Projects)

