

Summary of the telephone conference held with Preston Haskell, CEO of Central Asia Gold AB. Time: Thursday, August 18 2011, 17.00-17.30. Due to a technical problem at Telia the conference call has not been recorded.

Introduction: Short presentation from Preston Haskell (PH) regarding the Q2 report.

Highlighting the state of the construction of the heap leaching plant, the construction is in its final stage. When factory is commissioned, the annual production will be increased, what will also generate stable operating cash flows for the company.

Not satisfied with the Q2 results, which to a great extent were influenced by

- delays in commissioning the Tardan plant and
- cost overruns.

Now spending significant on-site time with the operating units in Siberia, together with an experienced team to ensure that all activities of the company will lead to finalizing of the heap leaching plant in the near future and reducing the operating costs.

Question and Answer session:

Q: Hi Preston. I have some questions regarding Tardan heap leaching plant completion. When will the construction be ready?

PH: The completion of the heap leaching plant will be conducted in two phases:

During phase 1 (sorption) the administrative building, sorption circuit, leach pad 1, etc will be completed. The phase 1 is expected to be completed during Q3. Phase 1 needs to be signed off, we will apply for the necessary permits to the authorities in Moscow. The phase 2 (desorption) will be conducted in parallel and finalized in Q4.

Q: How sure are you on that it will function, or will there be months of start up problems?

PH: We are sure this will function, as we have already test started the factory during approximately one month during winter and produced 40 kg of gold, so we are sure it works.

Q: Do you see any risk in not getting the permit?

PH: No, it is a formal procedure that needs to be followed. We can't be denied the permit when the construction is completed and has been signed off by the local and regional authorities.

Q: Costs were high in Q2. You are stating that already in Q3 the costs will go down. How sure you are on this and what makes you believe this?

PH: Costs overruns in the construction, as well as preparation of ore for the heap leaching production and high production costs for the alluvial production at Borzya were the reasons for costs increase in Q2. In Q3, after completion of the heap leaching plant, and having impact of an improved purchase processes we will for sure see the costs go down.

Q: You state that you have approximately 600 kg of stacked gold. How does this impact the process and related costs after the plant is ready? What is left to do and what timing/ costs are associated?

PH: When the plant is ready, the production can start immediately. The costs for preparing the ore for the heap leaching plant is to a large extent already taken by the company and it is just the cost for heap leaching that remains.

Q: Could you give an update on the cooperation with Centerra Gold?

PH: I visited the Joint Venture company Kara-Beldyr with my team last week. I met with the chief geologist and visited the drill sites. The extensive exploration work has been done. An ore body with an extremely high average grade of 200 g/ton was discovered, still to be analyzed the cost of mining. More drilling will be conducted during the coming months. Centerra Gold is a very professional company. I am sure we will be hearing more of the positive news about the cooperation.

Q: You have rather high production costs. Are you planning to reduce them?

PH: We are well aware of the problem. In 2012, we plan to reduce the production costs at Solcocon and Tardan to 700 USD/ounce.

Q: How sure are you now on the improvements you are talking about? We have heard this before. Both regarding production and permits. Have you personally met the key people and how can you be sure that you don't lose important things in translation? Do you speak Russian?

PH: Yes, I am very sure. I have a professional team to ensure the improvements and as fast as possible completion of the construction and commissioning of the plant. Besides, I am spending a lot of my time in Siberia, managing the on-site activities of the company. I have been visiting Tardan for a number of times during the last months, where I regularly meet the key people. I do speak Russian rather well and can communicate with every employee in order to get a coherent and objective understanding of the situation.

Q: Why is it so difficult operating an alluvial plant profitable?

PH: I'm personally very disappointed with the results of the company's alluvial production. Alluvial mining operations are less predictable than conventional hard rock mining. It is very difficult to forecast the amount of gold produced and the production costs are extremely high. That is why Central Asia Gold is planning to move away from alluvial production.

Q: What will the equity issue of 28 MSEK be used for? And will this be enough until bank credit will be available? Could you say anything about who the new shareholders are? What are the risks for further equity issues?

PH: The construction of the plant at Tardan has suffered delays and cost overruns, and the share issue of MSEK 28 was made to ascertain the financing of its completion, which it will do with a good head room. As described in the Q2 report, the repayment schedule of the current bank debt is quite tight and there is a need to refinance the current bank debt. The board is currently evaluating different options of bridge financing and refinancing of all its debt and will communicate progresses of this in due course. It is the board's opinion that a refinancing solution will be reached in September/October 2011 and the main focus of such a refinancing solution is on a debt financing and not through further equity issues.

Closing remark PH: I am very confident in Central Asia Gold. The investment in Central Asia Gold will be exceptional in the future, supported by taking into consideration the gold price development. I have an excellent team to ensure the development of the company.