

# *Central Asia Gold*

## **Central Asia Gold acquires new gold license block in Bodaibo province**

**PRESSRELEASE DATED APRIL 28, 2008**

**(NGM: CAG)**

- **Central Asia Gold via subsidiary Kopylovskoye AB acquires 141 km<sup>2</sup> gold exploration block in Bodaibo province of Irkutsk region**
- **The license block "Prodolny" borders to Central Asia Gold's Kavkaz deposit and is not far away from the Kopylovskoye deposit**
- **The Prodolny license block was one of the last unlicensed blocks in the region and makes Bodaibo to a central part of Central Asia Gold's portfolio of gold projects**

Central Asia Gold AB on April 25 participated in an open gold license auction in the Bodaibo province of Irkutsk region. A number of gold exploration blocks were subject to the auction process. Central Asia Gold via 75% owned subsidiary Kopylovskoye AB bid for the block "Prodolny". This block has an area of 141 km<sup>2</sup> and houses a number of gold occurrences. The interest for this region inter alia depends on the fact that the biggest gold deposit in the Russian Federation, Suchoy Log, is located there. Suchoy Log is estimated to contain 1,000 tons (30 million oz) of recoverable gold reserves. The gold projects in the Bodaibo province are generally considered to be satellites of Suchoy Log.

The background to Central Asia Gold's acquisition of Prodolny is that the group already owns the Kopylovskoye and Kavkaz deposits in Bodaibo. Kopylovskoye contains 7 tons (240 000 oz) of recoverable gold reserves while as the Kavkaz deposit is at an earlier stage, but shows the same geologic characteristics. The gold deposits in this province generally contain large free gold grains. The exploration method should involve large volume sampling in order to capture these gold grains. Thereby the true gold grade can be established, which typically is 3 grams per ton. The large and free gold grains have been proved on Kopylovskoye as well as Kavkaz, and Central Asia Gold believe they will be found on Prodolny as well.

The license areas of Kopylovskoye and Kavkaz deposits each encompass a few square kilometers. Their attractiveness should increase further when adding the Prodolny license, that represents an area of 141 km<sup>2</sup>. The Prodolny license block is considered to hold some 18 tons (578,000 oz) of gold mineral resources according to Russian standards. However, only limited exploration work has been carried out to date.

The license entitles the license holder to carry out exploration work as well as production of gold. The winning auction price amounted to some 3 MSEK.

For more information, please contact:

MD Torbjorn Ranta, tel: +46 (0)8 624 26 80, fax: +46 (0)8 624 37 20, mobile phone: +46 (0)70 8 85 55 04, e-mail: [torbjorn.ranta@centralasiagold.se](mailto:torbjorn.ranta@centralasiagold.se), Website: [www.centralasiagold.se](http://www.centralasiagold.se), Post- and visiting address: Brovägen 9, SE-182 76 Stocksund

*Central Asia Gold AB is a Swedish mining company focused on gold production and exploration in Russia and Mongolia in the central parts of Asia. The gold production was initiated in late January 2005 and the assets today encompass some 645,000 troy ounces (1 troy ounce = 31.1 g) of C1/ C2 Russian gold reserves.*

**Cautionary Statement:** Statements and assumptions made in this report with respect to Central Asia Gold AB's ("CAG") current plans, estimates, strategies and beliefs, and other statements that are not historical facts, are forward-looking statements about the future performance of CAG. Forward-looking statements include, but are not limited to, those using words such as "may", "might", "seeks", "expects", "anticipates", "estimates", "believes", "projects", "plans", "strategy", "forecast" and similar expressions. These statements reflect management's expectations and assumptions in light of currently available information. They are subject to a number of risks and uncertainties, including, but not limited to, (i) changes in the economic, regulatory and political environments in the countries where CAG operates; (ii) changes relating to the geological information available in respect of the various projects undertaken; (iii) CAG's continued ability to secure enough financing to carry on its operations as a going concern; (iv) the success of its potential joint ventures and alliances, if any; (v) exchange rates, particularly between the Russian rouble and the U.S. dollar. In the light of the many risks and uncertainties surrounding any gold production and exploration company at an early stage of its development, the actual results could differ materially from those presented and forecast in this report. CAG assumes no unconditional obligation to immediately update any such statements and/or forecasts.