



PRESS RELEASE 2010-12-09
Central Asia Gold AB (publ)

Update of gold grades

The exploration of the Bogomolovskoe deposit has now been completed and the results are officially announced as follows.

Exploration results show gold content of 3.5 grams per ton. As of the end of November 2010, the Bogomolovskoe reserves are estimated at 2,2 million tons of ore, which is equivalent to a gold reserve of about 7.6 tons of gold.

Table 1. Statement of the Company's C1 + C2 reserves and gold grades

Deposit	Ore/milj ton	Grade	C1+C2 Reserv/ton gold
Tardan	2,0	4,0 g/t	8,1
Bogomolovskoye	2,2	3,5 g/t	7,6
Kozlovskoye	1,1	ca 9,0 g/t*	9,5*
Sub total			25,2
Alluvial		0,5-2 g/m3	6,3
TOTAL			31,5

* The numbers are preliminary. The final registration is expected to be completed in Q1 2011.

The alluvial recoverable gold reserves are estimated (excluding Artel Tyva, which was sold in November 2010) at about 6.3 tons, with an average gold content in the gold sand of between 0.5 -2 grams per cubic meter.

Additional information:

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Central Asia Gold AB is a Swedish mining company focused on gold production and exploration in Russia in the central parts of Asia. The gold production was initiated in late

January 2005 and the assets were as at end of 2008 estimated to encompass some 800,000 oz of C1/ C2 Russian gold reserves.

Since July 19, 2010, CAG's shares are traded on First North Premier at the NASDAQ OMX Nordic Exchange under the short name CAG. For more information please visit www.centralasiagold.se. Mangold Fondkommission is Certified Adviser to CAG, for more information please call +46 8 503 015 50 or visit www.mangold.se.

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