



PRESS RELEASE 2012-02-10
Central Asia Gold AB (publ)

**Central Asia Gold AB and Centerra Gold Inc. announces
 the update on Kara-Beldyr JV**

Update on investment and ownership

Central Asia Gold AB and Centerra Gold Inc. announces today that in January 2012 Centerra Gold Inc. completed the investment of \$ 6.5 million in exploration on the Kara Beldyr property, located in the Tyva Republic, Russia. Centerra Gold has now earned a 70 % interest in the Kara-Beldyr Joint Venture.

Central Asia Gold AB intends to keep its 30% share of the investment in the license and will continue to be involved in the further exploration of the area.

Central Asia Gold AB and Centerra Gold Inc. entered into a joint venture agreement in September 2008 covering the Kara Beldyr property. Starting in the fourth quarter of 2008, Centerra carried out a program of geological mapping, geochemical sampling and a ground magnetic survey over the entire property. Trenching and IP surveys have been completed over the three primary prospects, the Gord, Ezen and Camp prospects.

Estimated resources

Based on the drilling results obtained at the end of 2011, the resource estimate for the Gord Zone indicated resource of 289,000 ounces of contained gold and an inferred resource of 211,000 ounces of contained gold, a total of 500,000 ounces.

The preliminary resource estimate for the Gord zone was prepared by Centerra's technical services department and is outlined in Table below. It has been estimated and classified in accordance with those standards defined by the Canadian Institute of Mining, Metallurgy and Petroleum, 2010 Definition Standards for Mineral Resources and Mineral Reserves (CIM) adopted by National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101).

Kara Beldyr Project Gord Zone 2011 Year End Resource Estimate
Above a 1.0 g/t cutoff

	Tonnage (t x 1000)	Au Grade (g/t Au)	Au Contained (oz x 1000)
Indicated Resources	3,790	2.4	289
Inferred Resources	3,354	1.96	211

"We are pleased with the presented results and look forward to continued cooperation with Centerra Gold Inc," said Preston Haskell, CEO of Central Asia Gold AB.

A complete listing of the drill results and supporting maps for the Kara Beldyr property have been filed on the System for Electronic Document Analysis and Retrieval ('SEDAR') at www.sedar.com. Additionally, they are available at the Centerra Gold's web site at: www.centerragold.com.

Short name: CAG

ISIN-code: SE0001337213

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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. In 2010, totally 730 kg of gold was produced. As of the beginning of February 2012, the company's assets were estimated to encompass some 1,000,000 oz of C1/ C2 Russian gold reserves (around 32 tons).

Since July 19, 2010, Central Asia Gold'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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