news release

For immediate release: 8 March 2006

Interim Results for the six months ended 31 December 2005

London: Wednesday 8 March 2006 - Oxus Gold plc ("Oxus" or the "Company") is pleased to report on its interim results for the 6 months ended 31 December 2005 (the "period").

Highlights

- Net profit on ordinary activities of $4.293 million for the period compared to $3.615 million for the same period for 2004
- AGF produces 84,119 ounces of gold for the period and 161,615 ounces for the year ended 31 December 2005
- AGF reports $9.042 million profit for the period and $13.263 million profit for the year ended 31 December 2005
- AGF project finance repaid and hedge commitments eliminated
- AGF total gold production now exceeds 10 tonnes (in excess of 328,000 ounces produced to date)
- AGF's Vysokovoltnoye heap leach project produces first silver and gold
- AGF Sulphides project feasibility study completed and awaiting Uzbek Government approval
- AGF reports significant drilling results for the Asaukak cluster of deposits
- AGF starts working on major exploration and reserve development programme
- Construction of the processing plant and related infrastructure at the Jerooy project achieves approximately 80% completion, prior to suspension in February 2006 pending the reinstatement of the mining licence
- The Group increases its stake in Marakand Minerals to 81.6%
- $20 million corporate credit facility drawn down in January 2006.

Report on Activities

Financial Results

The Group reported an unaudited profit on ordinary activities of $4.293 million for the six months ended 31 December 2005 ($3.615 million - 2004) and $3.779 million ($2.981 million – 2004) after taxation and minority interests.

Amantaytau Goldfields (AGF) in Uzbekistan, contributed $4.521 million ($4.168 million – 2004) towards consolidated revenue, being the Group's 50% attributable share of profits for the six month period. AGF reports a profit of $13.263 million ($16.128m – 2004) for the year to 31 December 2005 after tax and debt service.

Operations

The following table summarises operating results for the six months to 31 December 2005

	Six months to 31 December 2005	**31 December 2004**	**Year to 31 December 2005**	**31 December 2004**
Ore mined, tonnes	746,700	586,281	1,567,529	1,062,101
Ore processed, tonnes	795,400	555,554	1,465,454	968,682
Average grade (g/t)	4.3	6.2	4.5	5.8
Average gold recovery (%)	76.7	80.6	77.1	82.6
Gold produced, ounces	84,119	88,822	161,615	148,511
Gold sales, ounces	91,195	86,199	163,666	138,327
Hedge ounces	76,699	70,661	140,307	122,789
Spot ounces	14,496	15,538	23,359	15,538
Average gold price $ per ounce	353	340	346	334
Average cash cost $ per ounce	196	188	202	160
Average total cost $ per ounce	221	211	230	182
Net profit after tax & debt service	$9.042m	$8.463m	$13.263m	$16.128m

During the period, the AGF hedge book was eliminated, three months ahead of schedule and Oxus Gold bought out the balance of the project finance debt of $8.4 million.

The Vysokovoltnoye project at Amantaytau produced its first silver and gold during the period under review by the irrigation of test heaps placed on the pad drainage layer. The crushing plant has operated at full production, producing stock piles of crushed ore prior to agglomeration and stacking. Significant quantities of crushed and screened ore have been placed on the pads to form the cushion layer, and the stacking of agglomerated ore has commenced.

Stacking of the agglomerated ore will continue on the pads until this has reached critical mass when irrigation will commence. The Merrill Crowe recovery plant will be complete in March, in time to recover metal from the first stage of stacking.

Vysokovoltnoye has ore reserves of 1.66 million tonnes at grades of 127 grammes / tonne (g/t) silver (6.78 million ounces of silver) and 1.13 g/t gold (60,000 ounces of gold) for ore body number 7 and 2.33 million tonnes at grades of 27 g/t silver (2.02 million ounces of silver) and 1.24 g/t gold (93,000 ounces of gold) for ore body number 4. Ongoing work aimed at defining extensions of the zones may increase the resource base for future growth. Both ore bodies have very low stripping ratios.

The underground AGF Sulphides project is now undergoing conversion to meet Uzbek regulatory requirements, prior to full acceptance by the Government of Uzbekistan, which is expected within the next six months. Progress with the detailed design of the plant is ongoing, and in particular the process design criteria where Oxus is considering various technology partners. Access to the underground ore-body will be available mid-March 2006 via the refurbished Shaft 10 enabling a bulk sample to be obtained. This sample will be used for confirmatory testwork, essential for the detailed design of plant with a long lead time.

The Sulphides project is designed to mine the deeper sulphide extensions to the oxide ore-bodies currently being mined by open-pit methods by AGF at Centralny and to mine the underground Severny ores. Combined, they contain ore reserves of 9.72 million tonnes at an average grade of 7.75 g/t containing 2.42 million ounces of gold (at a cut-off of 3.5 g/t gold) within a total mineral resource of 17.73 million tonnes at an average grade of 6.84 g/t, and containing 3.90 million ounces of gold at zero cut-off grade.

Jerooy

On 20 February 2006 the Group announced that it had suspended construction at Jerooy pending the reinstatement of the mining licence. With the processing plant approximately 80% complete, remaining construction and subsequent commissioning of the plant can be achieved during the 3-4 month period required to prepare the Jerooy deposit for delivery of ore to the plant, provided the mining licence has been reinstated.

On 21 February the Group announced that it had served four notices of dispute on the Kyrgyz Government in respect of each of the UK-Kyrgyz Bilateral Investment Treaty, the US-Kyrgyz Bilateral Investment Treaty, the Kyrgyz Law on Investments, and the Talas Gold Joint Venture Agreement. The dispute notices invite the Kyrgyz Government to engage in consultations and negotiations with the Oxus Group with a view to agreeing upon an amicable resolution of the disputes, failing which the Oxus Group intends to pursue claims in international arbitration.

The Group has indicated that it is prepared to improve the returns to the Kyrgyz Government from the joint venture as currently structured, and is hopeful that the licence will be reinstated and that gold production will still commence later this year. Jerooy is scheduled to produce approximately 180,000 ounces per year of gold, initially from an open pit mine.

The Group expenditure and mining expenditure to date on Jerooy amounts to $47.7 million.

Other activity

In October 2005 the Company announced that it was withdrawing from an offer to acquire assets of, and subsidiary company shares in, Eurogold Limited, a company listed on the Australian Stock Exchange and on the AIM market of the London Stock Exchange. As the major shareholder, with 15.4% of Eurogold, the Company continues to monitor developments as part of its ongoing strategic investment strategy.

Since the year end, the Company has acquired a further 24,592,562 shares in Marakand Minerals, increasing its stake from 57.23% to 81.58%. The acquisition, on a three for one basis, will be settled by the issue of 8,197,521 shares in the Company within five days from the date of this announcement.

Marakand has announced that it has acquired two copper / gold licence areas in southern Turkey.

Exploration

Reverse circulation (RC) drilling programmes on the Asaukak, Aksai and Northern Asaukak deposits were completed between October and December 2005. These three deposits form part of the Asaukak Cluster which is located in close proximity to Oxus's current mining operations at Amantaytau (10km to the northeast) and Vysokovoltnoye (6.5km to the south). A total of 7,500m of drilling was completed on these deposits as part of the planned 100,000m RC drilling programme for the AGF area.

Two RC drill rigs are currently being used and the programme is due for completion in 2006. Geological modelling of Asaukak is in progress with the intention of producing a revised resource as the basis for a new reserve estimate.

Significant drilled width intersections include:

- Drillhole SRA 037 intersected 10.38 g/t over 5m at 47m in Asaukak
- Drillhole SRA 153 intersected 5.26 g/t over 20m at 50m in Asaukak
- Drillhole SAR 018 intersected 3.52 g/t over 11m at 50m in Northern Asaukak
- Drillhole SAR 051 intersected 4.14 g/t over 5m at 18m in Northern Asaukak
- Drillhole AK 002 intersected 4.57 g/t over 7m at 53m in Aksai
- Drillhole AK 019 intersected 4.70 g/t over 5m at 44m in Aksai.

Based on these results, additional RC drilling will be planned for Aksai and Northern Asaukak. On completion, these resources will be converted to reserves to increase the Oxus Gold plc mineable gold ounces. Overall the drill results are in line with the anticipated grades for these deposits, based on Soviet and Uzbek resource estimates which were audited by CSMA Consultants.

Original Russian and Uzbek estimates gave 200,000 ounces of gold in the C1 category and 47,000 ounces of gold in the C2 category for these three deposits. An additional two deposits within this cluster contain a further estimated 63,000 ounces of gold in the C1/C2 category that will be evaluated further to the ongoing drilling of this cluster. It is the intention of Oxus, to convert all Soviet and Uzbek classified resources to JORC compliant resources and reserves on completion of drilling and remodelling of the deposits.

The RC drilling results from Aksai are encouraging as they confirm the presence of mineralisation over the whole 350m strike extent of the deposit. This mineralisation is open ended and additional drilling will be required to test the northern and southern strike extensions of the deposit. At Northern Asaukak, 800m of strike length has been evaluated by RC drilling, and mineralised intersections have been returned from the central 500m of this zone. The mineralisation appears best developed in the south west where the results suggest that there may be additional mineralised zones developed.

Four new diamond core drilling rigs, two for surface drilling and two for underground have been recently purchased for use at AGF, two by the Group. The primary targets for this drilling will be the Amantaytau Sulphides project. Shaft refurbishment to access the +140 metre level is complete and underground development refurbishment is progressing well. Underground drilling to target deeper extensions of the sulphide deposit is scheduled to start in March 2006.

Finally, ASTER satellite imagery interpretation was completed in Q4 2005 and this work identified several anomalies that correlate with known deposits within the AGF licence. Other areas (Northern Daugystau, Yuhzny Tumshuktau and Pridorojny) show alteration in areas not associated with known deposits that have favourable exploration potential. A structural and alteration geology interpretation of the AGF licence was completed and will be used to focus drilling activity.

Directors

Gordon Wylie joined the board of the Company as a non-executive director. Mr Wylie is a geologist with over 30 years experience in the mining industry both as an exploration and mining geologist mainly with the Anglo American Group. He is a former Executive Officer of Exploration and Geology for AngloGold Ashanti. Gordon Wylie will also serve as a geological consultant to the Group.

Darryl Norton was appointed as alternate director. Mr Norton has in excess of 23 years experience in the engineering and mining industry. He was responsible on behalf of the contractors, Maed Limited, for the construction of the Amantaytau Goldfields Oxide plant in Uzbekistan. Mr Norton was previously employed by Fluor, TWP, Bateman and Gencor before joining Maed Limited.

Outlook

The Group has a profitable production base, potential for increased production from existing projects in the pipeline, and an impressive resource base. A major geological programme is underway in order to convert these resources into reserves. In addition, with the strong in-house skills base and balance sheet, the Group is well placed to embark on new developments and projects. The Group remains committed to achieving annual attributable gold production of at least 500,000 ounces by 2008, and with this in mind continues to identify and develop both exploration projects and strategic and other alliances.

CONSOLIDATED INCOME STATEMENT

(US$000)	Six months ended 31 December 2005	Six months ended 31 December 2004	Twelve months ended 30 June 2005
	(Unaudited)	(Unaudited)	(Audited)
Revenue			
Gross revenue	**2,406**	1,328	3,678
Income attributable from joint venture	**4,521**	4,168	6,437
	6,927	5,496	10,115
Expenses			
Administration expenses	**(1,889)**	(1,220)	(3,067)
Deferred exploration and evaluation expenditure incurred by Marakand Minerals Limited	**(717)**	(1,187)	(2,281)
Gross profit	**4,321**	3,089	4,767
Stock-based compensation	**(653)**	-	-
Foreign exchange (loss) gain	**(123)**	118	(1,487)
Legal costs arising from abortive 2002 project financing	**(287)**	(110)	(1,410)
Profit from operations	**3,258**	3,097	1,870
Net interest receivable:			
- Group	**78**	155	696
- Joint venture	**957**	363	914
Profit before taxation	**4,293**	3,615	3,480
Taxation	**16**	(5)	(6)
Profit after taxation	**4,309**	3,610	3,474
Minority interests	**(530)**	(629)	(1,191)
Profit for the period	**3,779**	2,981	2,283
Profit per share (US cents)			
Basic	**1.31**	1.61	0.92
Diluted	**1.29**	1.58	0.90

CONSOLIDATED BALANCE SHEET

(US$000)	As at 31 December 2005	As at 31 December 2004	As at 30 June 2005
	(Unaudited)	(Unaudited)	(Audited)
ASSETS			
Current assets			
Cash and cash equivalents	**7,459**	26,974	34,834
Trade and other receivables	**11,008**	38,378	5,954
	18,467	65,352	40,788
Investments			
Investments	**49,887**	26,820	43,306
Non-current assets			
Exploration and mining properties	**86,101**	47,219	60,228
	154,455	139,391	144,322
LIABILITIES			
Current liabilities			
Trade and other payables	**9,123**	695	2,635
Non-current liabilities	**6,756**	4,789	6,093
Convertible redeemable loan notes	**-**	32,963	-
Minority interests	**12,385**	13,496	12,858
SHAREHOLDERS' EQUITY			
Share capital	**4,606**	3,825	4,581
Reserves	**121,585**	83,623	118,155
	126,191	87,448	122,736
	154,455	139,391	144,322

CONSOLIDATED STATEMENT OF CASH FLOWS

(US$000)	Six months ended 31 December 2005	Six months ended 31 December 2004	Twelve months ended 30 June 2005
	(Unaudited)	(Unaudited)	(Audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period	**3,779**	2,981	2,283
Adjustments for:			
Depreciation	**16**	28	16
Profit on sale of assets	**-**	-	(6)
Income attributable from joint venture	**(4,521)**	(4,168)	(6,437)
Loss on foreign exchange	**-**	-	13
Stock-based compensation	**653**	-	-
Debt for services converted to shares	**504**	-	-
Salaries and bonuses converted to shares	**18**	15	33
Operating profit (loss) before working capital changes	**449**	(1,144)	(4,098)
(Increase) decrease in trade and other receivables	**(4,952)**	2,192	1,153
Increase in trade and other payables	**7,151**	2,982	6,226
Cash generated from operations	**2,648**	4,030	3,281
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure and financial investment			
Exploration and mining properties expenditure	**(25,889)**	(6,244)	(19,235)
Funding of joint venture's capital expenditure	**(4,363)**	(856)	(8,852)
Acquisitions			
Investments	**-**	-	(6,839)
Net cash (used) in investing activities	**(30,252)**	(7,100)	(34,926)
CASH FLOWS FROM FINANCING ACTIVITIES			
Warrants and options exercised	**229**	**-**	146
Shares issued	**-**	24,503	60,792
Net cash provided by financing activities	**229**	24,503	60,938
Net (decrease) increase in cash and cash equivalents	**(27,375)**	21,433	29,293
Cash and cash equivalents as at 1 July	**34,834**	5,541	5,541
Cash and cash equivalents as at 31 December	**7,459**	26,974	34,834

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

(US$000)	Share capital	Capital reserve	Accumulated profit	Total	Minority interests	Total
Balance as at 1 July 2004	3,289	60,446	(4,416)	59,319	14,125	73,444
Shares issued	527	23,863	-	24,390	-	24,390
Warrants and options exercised	9	105	-	114	-	114
Conversion of directors' remuneration to shares	-	15		15	-	15
Profit for the period	-	-	3,610	3,610	(629)	2,981
Balance as at 31 December 2004	3,825	84,429	(806)	87,448	13,496	100,944
Shares issued	754	35,648	-	36,402	-	36,402
Warrants and options exercised	1	31	-	32	-	32
Conversion of directors' remuneration to shares	1	17	-	18	-	18
Capital reserve from revaluation of investments:						
Eurogold Limited	-	(1,383)	-	(1,383)	-	(1,383)
Ovoca Resources plc	-	266	-	266	-	266
On consolidation	-	4	85	89	(76)	13
Profit for the period	-	-	(136)	(136)	(562)	(698)
Balance as at 1 July 2005	4,581	119,012	(857)	122,736	12,858	135,594
Warrants and options exercised	25	709	-	734	-	734
Conversion of directors' remuneration to shares	-	17	-	17	-	17
Stock-based compensation	-	653	(57)	596	57	653
Stock-based compensation transferred to deferred revenue expenditure	-	102	-	102	-	102
Capital reserve arising on revaluation of investments:						
Eurogold Limited	-	(2,298)	-	(2,298)	-	(2,298)
Ovoca Resources plc	-	(5)	-	(5)	-	(5)
Profit for the period	-	-	4,309	4,309	(530)	3,779
Balance as at 31 December 2005	4,606	118,190	3,395	126,191	12,385	138,576

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. The unaudited Interim Consolidated Financial Statements, including comparatives, have been prepared in accordance with International Financial Reporting Standards ("IFRS"). Certain prior year amounts have been reclassified to conform to account presentation in the current period.

2. These Interim Consolidated Financial Statements follow the same accounting policies and their methods of application as the 2005 accounts and should be read in conjunction with the Company's 2005 audited Consolidated Financial Statements.

3. The interim financial information does not constitute statutory accounts as defined in Section 240 of the Companies Act 1985. Statutory accounts for the year ended 30 June 2005 have been filed with the Registrar of Companies.

4. The consolidated income statement includes Oxus Gold plc and its attributable shares of subsidiaries and joint ventures.

5. In accordance with the terms of IFRS2, the cost of stock based compensation, amounting to $653,000, has been expensed in the income statement during the period. This figure includes $180,000 relating to the prior year period.

6. The basic and diluted profit per share has been calculated by reference to a profit, after taxation, of $3,779,000 (December 2004: $2,981,000) (June 2005: $2,283,000) and the weighted average number of ordinary shares in issue of 287,432,807 (December 2004: 224,048,919) (June 2005: 248,790,894).

   Diluted earnings per share is based on the weighted average number of shares in issue for the period plus potential dilutive ordinary shares arising from share options and warrants for the period of 292,140,689 (December 2004: 228,479,082) (June 2005: 253,401,202).

7. The Directors are not declaring a dividend for this period.

8. Copies of this report are being sent to all shareholders. Additional copies will be available to the public at the registered office, 105 Piccadilly, London, W1J 7NJ and will be posted on the company's website at www.oxusgold.co.uk

CORPORATE DETAILS

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Board of Directors:	Douglas Sutherland	Non-executive Director
	William Trew	Chief Executive Officer
	Richard Wilkins	Executive Director
	Jonathan Kipps	Finance Director
	Oliver Prior	Non-executive Director
	Gordon Wylie	Non-executive Director
	Darryl Norton	Alternate Director
Company Secretary:	Richard Wilkins	
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