

OXUS ORE RESERVES AND MINERAL RESOURCES

The Mineral Resources and Ore Reserves are stated in accordance with the AIM Guidance for Mining, Oil and Gas Companies for reporting, and adopt the "JORC Code" (Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves prepared by the Joint Ore Reserves Committee) classification as well as the Russian system of classifying resources and reserves where applicable. In accordance with the rules, the total project and Oxus attributable ounces of gold and silver are presented in the tables shown as appendices.

AGF

The Phase 2 sulphides project is designed to mine the deeper primary sulphide extensions to the oxide ore bodies that have been mined-out by open pit methods at Amantaytau Centralny and also to mine the adjacent Amantaytau Severny sulphide ores. Combined they contain underground Ore Reserves of 9.71 million tonnes at an average grade of 7.71 grammes per tonne (g/t) containing 2.41 million ounces of gold. This Ore Reserve is within a combined Measured and Indicated Resource above a 3.5 g/t cut-off of 10.32 million tonnes at an average grade of 9.0 g/t gold containing 2.97 million ounces of gold. There is an additional Inferred Resource of 2.05 million tonnes at an average grade of 7.6 g/t, containing a further 0.5 million ounces of gold. The ore body is open at depth and at Amantaytau Severny Soviet drilling at 500 metres below the currently explored ore bodies encountered 51.6 g/t gold over 8 metres. These Resources and Reserves are JORC compliant and are tabulated in Appendix 1

AGF has 4.8 million ounces of gold and 38 million ounces of silver contained within its Measured and Indicated Resources, plus a further 2.4 million ounces of gold and 16 million ounces of silver in the Inferred Category, as well as significant Exploration Potential. These Resources are JORC compliant and are tabulated in Appendix 1a

Within the Resource Base, AGF has Proven and Probable Reserves as of 1 July 2007 totalling 2.8 million ounces of gold and 6.7 million ounces of silver, by far the greatest value being in the Amantaytau Severny and Centralny sulphide project. Oxus has a 50% share in AGF's resources and reserves. These Reserves are JORC compliant and are tabulated in Appendix 1b.

Overall, due to lack of exploration, no new resources were established during the year and further geostatistical analysis was pointless without new data. Year on year the Resource and Reserve estimates differ only by depletion from mining. Appendices 2 and 3 contain descriptions of the JORC and Soviet Reserve and Resource categorisation. Appendix 4 lists the Competent Persons.

OxusGold' Subsidiaries and Shareholding in other Companies

Jerooy

Following the sale of the Jerooy assets to KazakhGold, there is nothing to report on this project and the Ore Reserves and Mineral Resources have been removed from the OxusGold figures

Marakand Minerals Ltd

The Khandiza deposit contains, above a 2% zinc cut-off, a JORC classified and audited Measured and Indicated Resource containing 11.8Mt at an average grade of 7.66% zinc, 3.65% lead, 0.91% copper, 129g/t silver and 0.38g/t gold, plus an Inferred Resource of 2.6Mt at an average grade of 5.36% zinc, 2.81% lead, 0.65% copper, 161g/t silver and 0.38g/t gold..

However because of the complications with licence ownership these are not included in the OxusGold figures. The Company however will push for the recognition of its rights with this project and surrounding exploration areas.

Ayirak and Tamdy

Resources related to these exploration areas have been removed from the OxusGold figures due to the uncertainty of obtaining their licences which have been under a letter of Intent for several years and which has not yet been finalised

OxusGold Ore Reserves and Mineral Resources.

Consequent to the above discussion OxusGold's figures constitute AGF only.

Appendix 1a Mineral Resources
Appendix 1b Ore Reserves

APPENDIX 2

DEFINITIONS OF EXPLORATION RESULTS, RESOURCES & RESERVES EXTRACTED FROM THE JORC CODE: (December 2004) (www.jorc.com)

Exploration Results include data and information generated by exploration programmes that may be of use to investors. The Exploration Results may or may not be part of a formal declaration of Mineral Resources or Ore Reserves.

A 'Mineral Resource' is a concentration or occurrence of material of intrinsic economic interest in or on the Earth's crust in such form, quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories.

An 'Inferred Mineral Resource' is that part of a Mineral Resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

An 'Indicated Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed.

A 'Measured Mineral Resource' is that part of a Mineral Resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and/or grade continuity.

An 'Ore Reserve' is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified. Ore Reserves are sub-divided in order of increasing confidence into Probable Ore Reserves and Proved Ore Reserves.

A 'Probable Ore Reserve' is the economically mineable part of an Indicated, and in some circumstances Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified.

A 'Proved Ore Reserve' is the economically mineable part of a Measured Mineral Resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out, and include consideration of and modification by realistically assumed mining, metallurgical, economic,

marketing, legal, environmental, social and governmental factors. These assessments demonstrate at the time of reporting that extraction could reasonably be justified

APPENDIX 3

SOVIET/UZBEK (RUSSIAN) CLASSIFICATION OF RESOURCES & RESERVES

The following description of the Russian classification of resources and reserves is from the report "Oxide resource potential of the Amantaytau-Vysokovoltnoye Orefield", prepared by P.S. Newall (BSc, PhD, CEng, MIMM), dated 16 October 2001, Ref: 61-0200. This report was prepared by CSMA Consultants Ltd, which is now Wardell Armstrong International. In addition, an article on Russian mineral reporting by Stephen Henley reported in Mining Journal, London, August 20, 2004, provides a useful summary

Stephen Henley is principal of
RESOURCES COMPUTING INTERNATIONAL LTD
S. Henley PhD, Ceng, FIMMM, FGS
Resources Computing International Ltd
Matlock, Derbyshire, UK
Stephen.henley@resourcescomputing.com

Soviet System of Resource/Reserve Classification

The former Soviet system for classification of reserves and resources, developed in 1960 and revised in 1981, is still used today in the Commonwealth of Independent States. Essentially, it divides mineral concentrations into seven categories of three major groups, based on the level of exploration performed: explored reserves (A, B, C1), evaluated reserves (C2) and prognostic resources (P1, P2, P3). The following description of the resource and reserve classification is derived from a paper by S.A. Diatchkov (1994) and has been modified by WGM to relate to currently acceptable international standards. The classifications of the reserves described by Diatchkov are those that were developed by the former USSR authorities. In principle, they follow a succession of approximations that are applied to various stages of exploration. This means that reserves are assigned to classes based on the degree of reliability of data and indicate their comparative importance for the national economy.

Reserves are classified into five main categories and designated by the symbols A, B, C1, C2 and P1. Capital letters are used to designate ores that are economic. Sometimes, the same group of letters are written in lower case (i.e. a, b, c) when the mineralisation is considered sub-economic. Alternatively, a simple classification into 'balansovye' (commercially exploitable reserves) and 'zabalansovye' (uneconomic resources) is used.

Resources and Reserves include the first four categories, A, B, C1 and C2. The categories C1 and C2 are relevant to the AGF Licence Area and are defined here.

Category C1:

The reserves in place have been estimated by a sparse grid of trenches, drillholes or underground workings. This category also includes reserves adjoining the boundaries of A and B reserves as well as reserves of very complex deposits in which the distribution cannot be determined even by a very dense sample grid. The quality and properties of the deposit are known tentatively by analyses and by analogy with known deposits of the same type. The general conditions for exploitation are partially known.

Category C2:

The reserves have been extrapolated from limited data, probably only a single hole. This category includes reserves that are adjoining A, B, and C1 reserves in the same deposit.

Classification of CIS Mineral Deposits

Deposits of solid minerals in CIS are classified into five major groups, based largely on the character and size of the deposit. The ability to define the categories of reserves depends on the deposit group in which the deposit is classified. The deposits of the AGF licence area have been classified by GKZ (State Committee for Resources) as being confined to **Group 3**.

Under the definition of the classification of deposit groups, Group 3 deposits can be defined as:

Smaller sized deposits with uneven distribution of minerals (examples: some veins, skarns, dykes, and pegmatite deposits). Drillholes can only establish C1 reserves. A and B reserves can be established only with underground workings.

Soviet P Classified Resources

Prognostic Resources are estimated for mineralisation outside the limits of areas that have been explored in detail and are often based on data from trenches and from geochemical and geophysical surveys.

Category P1

Resources under the P1 category may extend outside the actual limits of the ore reserves defined in the C2 category. The outer limits of P1-type resources are determined indirectly by extrapolating from similar known mineral deposits in the area. P1 is the main source from which C2 reserves can be increased.

Category P2

These resources represent possible mineral structures in known mineral deposits or ore bearing regions. They are estimated based on geophysical and geochemical data. Morphology, mineral composition and size of the ore body are estimated by analogy with similar mineralised geologic structures in the area

Category P3

Any potential ore-bearing deposits are classified as resources in the P3 category. The presence of these resources relies on the theoretical definition of a "favourable geological environment". Resource figures are derived from figures of similar deposits in the region. Estimates of Prognostic Resources routinely depend on assumptions and projections regarding the probable dimensions (length, width and depth) and grade of the deposit that are subject to confirmation by more detailed investigations.

APPENDIX 4

COMPETENT PERSONS

The resources and reserves stated in this report have been compiled or Approved by the following Competent Persons:

P S Newall, BSc, ARSM, PhD, CEng, FIMMM

Wardell Armstrong International Ltd
Wheal Jane, Baldhu, Truro, Cornwall, TR3 6EH
Tel: +44 1872 560738 Fax: +44 1872 561079
Web: //www.wardell-armstrong.com

P Newall, is Senior Consulting Geologist and Director with WAI and has practised his profession as a mine and exploration geologist for over twenty years for both base and precious metals.

Gordon Wylie BSc (Hons) Geology, MAusIMM, FGSSA

Gordon Wylie is a consultant and non-executive Director of Oxus Gold plc. Gordon has over 31 years experience in the mining and exploration industry. From 1998 to 2005 Gordon was in charge of AngloGold and latterly, AngloGold Ashanti's global exploration programme and was appointed Executive Officer in early 2004

William J Charter, BSc, CGeol, FGS, CEng, MIMM

Bill Charter has over 29 years experience in mining and exploration industry. Having gained experience with Anglo American Corporation (in Fiji and South Africa), then worked in Central Asia and other locations worldwide. Started work with the Oxus Group in 1996. In November 2003 was appointed as Technical Director of Marakand Minerals Limited, also acting as Geological Consultant to Marakand's parent company Oxus Gold plc.