



news release

3 May 2006

Oxus Gold plc

Acquisition of assets from Eurogold Limited ("Eurogold")

LONDON: 3 May 2006 – Oxus Gold plc ("Oxus" or "the Company"), (OXS.L), announces that it has entered into a conditional asset purchase agreement (the "Agreement") with Eurogold Limited ("Eurogold"), a company listed on the Australian Stock Exchange and AIM, to acquire certain assets owned by Eurogold. Completion of the acquisition is conditional on, amongst other things, the approval of Eurogold's shareholders in accordance with the Listing Rules of the Australian Stock Exchange. Completion is expected to occur by the end of June 2006.

Under the Agreement Oxus Holdings (Malta) Limited, a wholly owned subsidiary of Oxus, will acquire all the shares in EurogoldBermuda Limited ("EBL"), a wholly owned subsidiary of Eurogold Holdings (Bermuda) Limited, which in turn is wholly owned by Eurogold,

EBL owns 98.59% of SC Explorer SA, which owns certain mining exploration rights in Romania and also, through an intermediate holding company, EBL owns 99.72% of Saulyak Limited Liability Company, a Ukrainian mining company holding exploration and development rights in the Saulyak gold project in the Ukraine.

Under the Agreement debts owed to Eurogold by members of the Eurogold group will be assigned to Oxus, which will then be entitled to the repayment of such loans from such relevant former members.

EBL and each of its subsidiaries are exploration companies which to date have not earned income.

Oxus is paying Eurogold £9,159,656 in cash consideration and has agreed to the cancellation of the shares it holds in Eurogold. Oxus owns 15.44% of the equity in Eurogold, valued currently at approximately £1.727 million.

A further payment of £300,000 will be made by Oxus to Eurogold on the acquisition of further specified interests in Ukrainian mining projects.

The Soviet classified reserves of the Saulyak deposit as approved by the Ukrainian Government in 2003 and subsequently independently audited, along with the Soviet classified P1 exploration potential are tabulated below:

Class	Mt	g/t (Au)	T (Au)	Oz (Au)
C1	0.74	8.0	5.9	189,000
C2	1.40	8.6	12.1	389,000
C1+C2	2.14	8.4	18.0	578,000
P1	9.96	7.6	75.7	2,433,809

Eurogold has recently reported on its current drilling programme. A total of 43 drillholes totalling 1,145 metres has now been completed out of a planned programme of 94 holes totalling 4,800 metres. According to Eurogold 30 holes were assayed and 27 drillhole intersections are tabulated below, the results of which are consistent with expectations and confirm the presence of robust “economic” mineralization in No. 1 Orebody.

Drillhole No.	From (m)	To (m)	Interval (m)	Gold Grade (g/t)	Core Recovery %
583	10.47	15.45	4.98	3.59	92
583A	7.22	14.30	7.08	5.58	90
584	5.58	14.40	8.82	7.88	85
585	13.60	15.85	2.25	3.54	96
608	15.37	17.39	2.02	10.05	88
586	14.93	19.68	4.75	2.28	65
738	5.25	6.87	1.62	6.59	81
736	2.58	4.65	2.07	5.71	88
734	5.62	7.40	1.78	1.92	74
922	21.49	26.09	4.60	13.77	76
922	21.49	29.40	7.91	8.69	67
823	25.83	31.23	5.40	2.59	96
853	14.50	16.11	1.61	2.11	84
924	16.09	19.16	3.07	10.29	59
852	3.81	6.36	2.55	1.43	87
848	10.26	13.32	3.06	1.75	76
848	23.93	26.00	2.07	2.85	89
847	8.43	11.52	3.09	2.23	82
926	0.00	4.88	4.88	2.78	69
767	4.21	13.26	9.05	4.80	95
850	9.61	11.65	2.04	3.34	66
592	0.50	4.76	4.26	10.17	98
592	0.50	11.62	11.12	5.40	97
851	5.66	12.33	6.67	5.05	99
925	1.62	4.10	2.48	4.93	100
927	1.85	3.27	1.42	8.90	69
931	0.92	5.12	4.20	3.12	81

Significant potential exists both down dip and along strike of the existing mine and it is the intention of Oxus to fully evaluate the potential of the areas which

host much of the P1 category mineralisation. In addition, Oxus will convert the existing resources and reserves from the "Soviet" classification to that of JORC. An exploration licence covering 276km² covering the region surrounding Saulyak has been applied for.

Bill Trew, CEO of Oxus, stated "We are delighted that we have finally reached agreement on the acquisition of certain of Eurogold's assets. These assets complement our portfolio in Central Asia and represent a further significant step in our overall development strategy."

All of the mineral resources or ore reserves in this report are based on information compiled by Mr Simon Pepper who is a recognised mining professional on the basis that he holds a MSc Mining Geology from Camborne School of Mines, has at least five years experience in the estimation, assessment and evaluation of the type of mineral resources or ore reserves in this report and is a member of the Institute of Materials, Minerals and Mining in the United Kingdom.

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