



news release

Oxus Gold plc

Oxus sells Kyrgyz, Romanian and Turkish interests to KazkhGold

LONDON: 26 April 2007 – Following its announcement on 12 March 2007, Oxus Gold plc (“Oxus” or the “Company”) (OXS.L) is pleased to announce that it has signed an agreement with KazakhGold Group Limited (“KazakhGold”) (KZG.L) for the sale of the following assets:

- its 100% interest in Norox Mining Company Limited. Norox owns 66.67% of Talas Gold Mining Company in Kyrgyzstan;
- its 50% interest in Romaltyn Limited; and
- a 25% interest in Hatay Madencilik SA and the right to an option relating to the Karakilise copper deposit licence in Turkey, currently owned by Oxus 86% subsidiary, Marakand Minerals Limited;

(together the “Sale Assets”).

As consideration for the purchase of the Sale Assets, Oxus will receive 3,541,666 new ordinary shares in KazakhGold (currently valued at approximately \$82 million) (“KazakhGold Shares”). In addition deferred consideration of up to \$80 million is payable in cash within 30 days of KazakhGold acquiring, or acquiring the benefit of, a licence to mine the Jerooy gold deposit in Kyrgyzstan and commencing development or production at Jerooy. The initial consideration represents approximately 7% of the enlarged share capital of KazakhGold.

The sale will complete upon the delivery of the appropriate title documents, including the share certificates and transfer documents in respect of the Sale Assets by Oxus in exchange for the KazakhGold Shares. Completion is expected to occur on or about 15 May 2007.

Oxus intends to convert the non-trading KazakhGold Shares into tradeable global depositary receipts (“GDRs”) and to deposit them into KazakhGold’s GDR programme. KazakhGold GDRs trade on the London Stock Exchange, with one GDR representing one share.

As previously announced, Oxus intends to distribute all or a large portion of the KazakhGold GDRs by way of a dividend. For those Oxus shareholders who may be prohibited from receiving the GDRs due to US securities legislation, it is intended that a cash alternative will be offered. Further details regarding the dividend will be supplied to shareholders in due course.

Bill Trew, CEO of Oxus, commented "We are delighted that we were able to reach an agreement so quickly and we now look forward to completing the transaction. We believe this transaction represents a very positive outcome for our shareholders, particularly as it will enable them to benefit from any positive developments at Jeroo. We also look forward to returning value to our shareholders by way of dividend. The Company will continue to focus on increasing its gold production at Amantaytau Goldfields in Uzbekistan and to evaluating other opportunities as they arise."

Further enquiries:

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