



PRESS RELEASE

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Oxus Gold plc
("Oxus", "the Group" or "the Company")
23 September 2003

Final results for the 18 months ended 30 June 2003

The Company is pleased to announce their results for the 18 months ended 30 June 2003, and provide the following extracts from the Chief Executive Officer's review and the Annual Report, which is being posted to shareholders today.

Chief Executive Officer's review (extract)

After ten months at the helm of the revitalized Oxus Gold it gives me enormous pleasure to report on the strides we have made at Oxus Gold in a relatively short space of time.

We have a strong executive team with a proven track record in the global mining environment, while the experience and wisdom of the remaining board members is a constant source of reassurance. I am confident that, having already delivered on some of our short-term targets, we are firmly on the road to turning Oxus' world class assets to account.

Delivery:

- Since November last year, good progress has been made in reducing fixed costs by over 50%;
- In April this year we announced the start of the drawdown of financing, having secured a senior term loan of US\$30 million and an overrun facility of US\$6 million from Standard Bank London and WestLB for the Amantaytau project;
- This facility was arranged without the need for any additional finance from ourselves, thereby ensuring that there would be no further dilution to Oxus shareholders;
- The Khandiza polymetallic project is currently being restructured;
- After successful negotiations with the government of Kyrgyzstan and Oxus' partner JSC "Kyrgyzaltyn", the licence to develop the Jerooy gold deposit in the Talas region of Kyrgyzstan was reinstated in April this year. The Jerooy gold project has a total resource of 3.45Moz;
- We have reorganized the business into a focused gold company.

These developments follow upon a number of setbacks for your company in the past, including the annulment of the Jerooy mining licence in June 2002, and the company's inability at the time to raise capital for the Amantaytau Project.

The first phase of the Amantaytau project is now fully funded and first production is expected in December this year. In addition, having had the Jerooy licence reinstated, we are now proceeding with plans to effect the fastest possible development of Jerooy, with gold production due to commence in 2005.

Despite having made these strides, and put the past firmly behind us, there is no room for complacency. More challenges await us in the year ahead, with the overriding focus on transforming Oxus from a cash consumer into a gold producer, while keeping production costs in the lowest quartile of industry producers. To achieve this, we have set ourselves the following targets for 2004.

Goals for 2004

- Bring Amantaytau Oxides into production at 1 million tonnes per annum (Mtpa);
- Produce at least 190,000ozs of gold from Amantaytau at an initial cash cost of below US\$106/oz;
- Expand Amantaytau to mine at a rate of 2Mtpa;
- Complete the Amantaytau Sulphide feasibility study;
- Start construction at Jerooy and Balpantau;
- Complete the re-structuring of Khandiza;
- Repayment of Amantaytau's senior debt in accordance with its schedule, plus repayment of the US\$13 million shareholder loan advanced by Oxus to Amantaytau.

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Consolidated Profit and Loss Account

	18 month period ended 30 June 2003	Year ended 31 December 2001
	\$'000	\$'000
Group turnover	762	177
Administration expenses	(2,677)	(1,641)
Group operating loss	(1,915)	(1,464)
Net interest (payable)/receivable:		
- Group	(54)	(110)
- Joint ventures and associates	447	-
Loss on ordinary activities before exceptional items and taxation	(1,522)	(1,574)
Exceptional items	(1,293)	-
Loss on ordinary activities before taxation	(2,815)	(1,574)
Tax on loss on ordinary activities	(17)	(7)
Retained loss for the financial period (year)	(2,832)	(1,581)
Loss per share		
- basic (per share cents)	(1.71)	(1.42)
- diluted (per share cents)	(1.71)	(1.42)

The results above are derived from continuing activities.

Consolidated Cash Flow Statement (extract)

	18 month period ended 30 June 2003	Year Ended 31 December 2001
	\$'000	\$'000
Net cash outflow from operating activities	(1,769)	(1,469)
Returns on investments and servicing of finance	393	(258)
Taxation	(36)	(18)
Capital expenditure and financial investment	(7,922)	(4,520)
Net cash outflow before use of liquid resources and financing	(9,334)	(6,265)
Financing	10,452	8,429
Increase in cash	1,118	2,164

Consolidated Balance Sheet

	At 30 June 2003 \$'000	At 31 December 2001 \$'000
Fixed assets		
Tangible assets	-	204
Exploration and evaluation properties	15,113	13,921
	15,113	14,125
Investments		
Interests in joint ventures		
Share of gross assets	12,134	4,136
Share of gross liabilities	(8,015)	(17)
	4,119	4,119
Other investments		
Loans to joint ventures	12,806	6,078
	16,925	10,197
Total fixed assets	32,038	24,322
Current assets		
Debtors	265	338
Cash at bank and in hand	3,855	2,737
	4,120	3,075
Creditors – Amounts falling due within one year	(2,158)	(1,032)
Net current assets	1,962	2,043
Net assets	34,000	26,365
Capital and reserves		
Called up share capital	2,824	1,845
Share premium account	18,827	9,339
Merger reserve	34,929	34,928
Profit and loss account	(22,590)	(19,758)
Total shareholders' funds	33,990	26,354
Equity minority interest	10	11
Capital employed	34,000	26,365

Notes

- The above financial information for the 18 months ended 30 June 2003 is audited, with an unqualified opinion, and does not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. The financial information for the year ended 31 December 2001 has been extracted from the accounts for that year, which has been delivered to the Registrar of Companies and on which the auditors gave an unqualified opinion. Statutory accounts for the 18 months ended 30 June 2003 will be delivered to the Registrar of Companies. The Annual Report will be posted to shareholders today.
- Exceptional items comprise directors' severance payments (\$577,000), costs associated with the closure of the Woking office (\$167,000), the write-off of fixed assets (\$126,000) and abortive project financing costs (\$432,000).

3. The basic and diluted loss per share has been calculated by reference to a loss, after taxation, of USD 2,832,000 (2001-USD 1,581,000) and the weighted average number of ordinary shares in issue of 165,551,285 (2001- 111,273,170).
4. The Directors do not recommend the payment of a dividend in respect of this period (2001- nil)