

11 February 2005

KRYSO RESOURCES plc

PROGRESS REPORT

Kryso Resources plc (the "Company") is pleased to announce the results from the Company's preliminary metallurgical testwork program on ore from the Company's Pakrut gold deposit in the Republic of Tajikistan, Central Asia.

The metallurgical testwork programme was primarily designed to confirm the Soviet testwork, which indicated that the Pakrut ore is amenable to gravity recovery techniques.

The samples were obtained from an extensive sampling programme in 2004, whereby four tonnes of sample were collected from four separate locations (approximately one tonne from each location), two of which were on surface and the remaining two from underground.

Samples from selected intersections from the 2004 programme were split to generate four, 60kg, bulk metallurgical samples that were shipped to SGS Lakefield Research Africa (Pty) Ltd, South Africa. In SGS Lakefield's laboratory, approximately 8kg of sample was split from each of the 60kg bulk samples and tested using two leading types of gravity concentrators(1), namely Falcon and Knelson concentrators.

Assay results from SGS Lakefield's laboratory overall confirm a higher gold content in the samples taken than those from previous assay results from the Tajik Geology laboratory(2) in Dushanbe, Tajikistan.

The gravity testwork was carried out after a primary grind(3) of 100% passing 500 microns(4) and after a secondary grind of 80% passing 75 microns.

The overall average gold recovery from each of the gravity concentrators was 56.02% and 50.16% respectively. Individual gravity tests provided recoveries up to 66.52%.

Initial cyanidation testwork of the middlings(5) and tailings(6) from the secondary grind, increased the overall gold recovery to 76.11% and 75.60%. Individual tests using cyanidation of the middlings and tailings provided overall recoveries up to 85.28%.

Vassilios Carellas, Managing Director, stated that, "These results confirm the presence of gold recoverable solely by gravity. The consistency of the results achieved by the testwork with that achieved by the Russians some thirty years ago leads us to reasonably expect that the Russian assessment of the Pakrut's prospects are soundly, possibly conservatively, based.

The Directors believe that further metallurgical testwork will show us how further to improve the recoveries achieved by a gravity-based means of extraction without the

possible need for cyanidation. These results will eventually be incorporated in the feasibility study to develop the Pakrut Deposit."

In January the Company appointed Snowden Mining Industry Consultants Pty Ltd, Johannesburg, South Africa to complete a scoping study for the following to:

- Complete a desktop mining scoping study, which will review the best options for mining the resources delineated at Pakrut
- Determine preferred options for mining as well as complete a risk analysis for each option
- Review requirements for further exploration to convert the Soviet resources into JORC standard Measured, Indicated and Inferred and lead into a feasibility study
- Review requirements for geotechnical work to lead into a feasibility study
- Look at requirements for infrastructure, and
- Provide information to assist in the costing of a feasibility study.

The Company has purchased a new underground core drill and subject to agreement of cost and delivery terms, the management has decided to purchase another two core drills (one surface and one underground). The Company is establishing its own sample preparation and analytical laboratory in Dushanbe, Tajikistan, to ensure greater reliability of results and reduce the cost of assaying.

The Company intends to complete the infill drill programme(7) on the Pakrut deposit by the beginning of 2006 in conjunction with a feasibility study.

During 2005 the Company will commence further drilling and exploration at the Sulfidnoye deposit in an effort to confirm reported Russian Prognosticated Resources. Sulfidnoye has a Russian P1 (Inferred) Resource of 167,000 ounces at 10.2 g/t Au.

Kryso Resources plc is also in the process of reviewing and applying for other licences in the resource sector in Central Asia.

Notes to editors:

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Kryso Resources plc is a mineral development company focussed on the exploration and advancement of its 100%-owned Pakrut Licence Area in the Republic of Tajikistan, Central Asia.

The main resource in the Pakrut Licence Area is the Pakrut gold deposit with a Russian C2 (Indicated) resource of 5.07 million tonnes at 3.84 g/t Au (626,000 ounces) using a cut-off grade(8) of 1.0 g/t Au. An additional 3.5 million tonnes at 3.6 g/t Au (657,000 ounces) are classified as P1 (Inferred) at a 1.0 g/t Au cut-off.

The nearby Eastern Pakrut and Sulfidnoye prospects contain Russian P1 (Inferred) resources of 0.83 million tonnes at 3.1 g/t Au (84,000 ounces) and 0.48 million tonnes at 10.2 g/t Au (167,000 ounces) respectively.

Glossary:

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1. Gravity concentrator - Equipment to separate gold from non-economic minerals by exploiting the difference in density of the minerals.
2. Tajik Geology - Republic of Tajikistan's Geological Survey
3. Primary & Secondary Grind - First and second stage processes whereby crushed ore is reduced in size sufficiently to allow metal recovery.
4. Micron - , one-millionth of a metre or one-thousandth of a millimetre.
5. Middlings - An intermediate product in mineral processing operations, which contains both valuable and worthless minerals.
6. Tailings - Residue eventually discarded from a processing plant after all valuable minerals have been recovered.
7. Infill Drill Programme - Drilling carried out in between earlier drillholes to increase the confidence of previous results and improve the understanding of the deposit.
8. Cut-Off Grade - the minimum grade, which is included in a reserve calculation.

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