

KRYSO RESOURCES PLC

Final Results for the year ended 31 December 2008

And

Notice of Annual General Meeting

Kryso Resources plc ('Kryso' or 'the Company') is pleased to announce its final results for the year ended 31 December 2008. The results below are extracted from the Company's audited Annual Report and Financial Statements. Copies of the Annual Report together with a Notice of Annual General Meeting are being posted to Shareholders today and will be available on the Company's website at www.kryso.com and from the Company's registered offices at Unit 3H, Cooper House, 2 Michael Road, London SW6 2AD.

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Chairman's Statement

Since my half-yearly report to shareholders on 31 July 2008, the world has entered an almost unprecedented period of financial turmoil from which Kryso Resources Plc ('Kryso') has not been immune. Faced with a deteriorating financial climate, during the second half of 2008 Kryso was forced to scale back its activities while discussions took place with various potential sources of financing.

In February 2009, Kryso reached an agreement with Vertex Mining International (Cyprus) Limited ('Vertex'), an affiliate of private Russian mining company Vertex Mining CJSC, that Vertex would subscribe for GBP2.56m worth of new ordinary shares in Kryso. However, the subscription did not take place by the anticipated completion date of 15 May 2009 and on 28 May 2009 it was announced that the board of Kryso had decided to discontinue discussions with Vertex and that the subscription agreement with Vertex had lapsed. Initial financing of GBP 500,000 was provided to Kryso by Vertex by means of a mandatorily convertible bond, which has now converted into a total of 9,090,909 ordinary shares.

Following the lapse of the Vertex subscription agreement, an Equity Placing Agreement ('EPA') to raise gross proceeds of up to GBP1.5 million with minimum gross proceeds of GBP500,000 was entered into between Kryso and its co-broker Orbis Equity Partners Limited ('Orbis'). Under the EPA, new ordinary shares subscribed for are priced at 5p per share, and warrants exercisable at 8p per share are granted to subscribers on the basis of one warrant for each new ordinary share subscribed for.

The EPA entailed the immediate issue of GBP250,000 worth of new ordinary shares in Kryso and the issue (subject to shareholder approval) of a further GBP250,000 worth of new ordinary shares in two subsequent tranches of GBP125,000 each, with the first tranche of GBP125,000 worth of new ordinary shares to be issued one month after the initial issue and the second tranche to be issued two months after the initial issue. Subject to agreement between Kryso and Orbis and to shareholder approval, up to an additional GBP1 million worth of new ordinary shares may be issued on the same terms.

It has also been agreed that the loan of GBP500,000 made to Kryso in April 2008 by Great Basin Gold Limited ('Great Basin'), plus interest due up to 31 May 2009 of GBP36,169.47, will convert into new ordinary shares in Kryso at 5p per share. Great Basin will be issued with warrants exercisable at 8p per share on the basis of one warrant for each new ordinary share issued pursuant to the loan conversion.

Thanks to the EPA with Orbis, Kryso has the necessary funding to continue with the bankable feasibility study for the Pakrut gold project, the completion of which is expected during 2009. Nevertheless, Kryso is taking steps to reduce its overheads in order that as much funding as possible is made available for the development of its assets in Tajikistan. Following the resignation of Vassilios Carellas from the position of Managing Director for personal reasons, I have assumed the role of acting Managing Director of Kryso until such time as a replacement for him is selected. The board has also appointed a new Non-Executive Director, Gennady Tolmachev. Gennady is a mining engineer with many years of experience in the development of significant gold deposits, and will be of great assistance to Kryso as it works to bring the Pakrut gold project into production.

On the operational side, I am very pleased to report that in August 2008, GeoLogix Mineral Resource Consultants (Pty) Ltd. ('GeoLogix') completed an updated JORC Code compliant resource estimate for the main deposit at

Pakrut. The updated GeoLogix estimate, which incorporated new drilling data, represented approximately a 65% increase in ounces of gold on the estimate that was prepared by GeoLogix in November 2007.

Assuming a cut-off grade of 0.5 g/t, total JORC Code-compliant resources within the main Pakrut deposit now stand at 1,739,029 oz Au at an average grade of 2.53g/t. Of this resource, 67% is in the Measured and Indicated categories.

In December 2008, the State Committee for Reserves (GKZ) of the Republic of Tajikistan approved the reserves and resources of the Pakrut gold deposit. Using a 0.5g/t cut-off grade, the approved C1+C2+P1 gold resource is 2,055,047oz at an average grade of 2.44g/t, which includes an approved C1+C2 reserve of 1,257,454oz at an average grade of 2.62g/t. Tajikistan uses the Russian classification system for reserves and resources, which differs from the JORC Code. The Russian C1, C2 and P1 categories can respectively be considered to be broadly similar to the JORC measured, indicated and inferred resource categories.

In April 2008 the Tajik State Committee for Geology accepted the resources of the Pakrut gold deposit. Kryso then completed a local feasibility study for Pakrut, which was required for the approval of the C1 and C2 reserves by the State Committee for Reserves. The local feasibility study included a mining plan, proposed mining method, plant design and both capital and operating costs for the project, and was prepared by independent consultants in conjunction with Kryso's own personnel.

Kryso has commenced its 2009 drilling programme at Pakrut using two diamond drill rigs. A further diamond rig and an RC (reverse circulation) rig will shortly become operational. Drilling at Pakrut is presently focused on the definition of further resources at depth within Ore Zone 1. Drilling will also target areas to the east and north of the Pakrut deposit, as well as an identified but essentially unexplored ore zone known as Ore Zone 6. Mineralization from Ore Zone 6 was intersected over approximately 30m by the first two holes drilled at Pakrut during 2009. No drilling has previously been carried out on Ore Zone 6, nor has it been incorporated into either the JORC or Russian resource estimates for the Pakrut deposit.

The incorporation into the Pakrut resource model of the results of the current programme of drilling is likely to enable an increased JORC Code-compliant resource to be estimated later in the year. Assays of samples from ongoing drilling at Pakrut and also from drilling carried out at the project during the second half of 2008 will be reported as they become available from the SGS Lakefield assay laboratory in South Africa.

A bankable feasibility study for the Pakrut project based on a mining operation producing more than 100,000oz Au per annum is targeted for completion during 2009. An internal pre-feasibility study was completed in early 2008, with highly positive results. Estimated cash costs of production under the pre-feasibility study were US\$291/oz Au.

At Kryso's Hukas nickel-copper project, a 1,500m exploration drilling programme has commenced, based on the results of the geophysical survey that was carried out in 2007.

In comparison with the year to 31 December 2007, during the year to 31 December 2008 the amount spent by Kryso on development work and capitalised increased by US\$1,166,000 to US\$3,771,000; administration expenditure decreased by US\$13,000 to US\$980,000; and Kryso's overall loss increased from US\$870,000 to US\$1,043,000, owing to a foreign exchange loss of

US\$105,000 being incurred as opposed to a gain of US\$52,000 being made during the year to 31 December 2007.

Trevor Davenport
Non-Executive Chairman

KRYSO RESOURCES PLC
Consolidated Income Statement - Year ended 31 December 2008

	2008	2007
	US\$000	US\$000
Turnover	-	-
Cost of sales	-	-
Gross Profit		-
Administrative expenses	(980)	(993)
(Loss)/profit on foreign exchange	(105)	52
Operating Loss	(1,085)	(941)
Interest receivable	42	71
Loss on Ordinary Activities before Taxation	(1,043)	(870)
Tax on loss on ordinary activities	-	-
Loss on Ordinary Activities after Taxation attributable to equity holders of the Company	(1,043)	(870)
Basic and Diluted Loss per Share from continuing operations attributable to equity holders of the Company (expressed in US\$ per share)	\$(0.0125)	\$(0.0125)

All of the activities of the Group are classed as continuing.

The Group has no recognised gains or losses other than the results for the years as set out above.

KRYSO RESOURCES PLC
Consolidated Balance Sheet - As at 31 December 2008

	2008 US\$000	2007 US\$000
Non-current assets		
Intangible assets	13,893	10,122
Tangible assets	170	462
	14,063	10,584
Current assets		
Inventories	452	621
Debtors	78	327
Cash and cash equivalents	453	1,586
	983	2,534
Current liabilities		
Trade and other payables	(820)	(280)
Borrowings	(724)	-
	(1,544)	(280)
Net Current (Liabilities)/ Assets	(561)	2,254
Total Assets less Current Liabilities	13,502	12,838
Equity and reserves attributable to equity holders of the Company		
Called-up share capital	1,680	1,481
Share premium account	14,529	13,033
Retained earnings	(2,707)	(1,676)
Total Equity	13,502	12,838

KRYSO RESOURCES PLC
Consolidated Statement of Changes in Equity - Year ended 31 December 2008

	Share capital US\$'000	Share premium US\$'000	Retained earnings US\$'000	Total US\$'000
Balance at 1 January 2007	1,227	10,554	(828)	10,953
Recognised income and expenses	-	-	(870)	(870)
Share based payments	-	-	22	22
Issue of ordinary shares	254	2,673	-	2,927
Costs of share issue	-	(194)	-	(194)
Balance at 31 December 2007	1,481	13,033	(1,676)	12,838
Recognised income and expenses	-	-	(1,043)	(1,043)
Share based payments	-	-	12	12
Issue of ordinary shares	199	1,585	-	1,784
Costs of share issue	-	(89)	-	(89)
Balance at 31 December 2008	1,680	14,529	(2,707)	13,502

KRYSO RESOURCES PLC

Consolidated Cash Flow Statement - Year ended 31 December 2008

	2008 US\$000	2007 US\$000
Net Cash Outflow from Operating Activities	(100)	(1,213)
Cash flows from Investing Activities		
Payments to acquire intangible fixed assets	(3,486)	(2,187)
Payments to acquire tangible fixed assets	(8)	(311)
Interest received	42	71
Net Cash Outflow from Investing Activities	(3,452)	(2,427)
Cash flows from Financing Activities		
Issue of equity share capital (net of issue costs)	1,695	2,733
Proceeds from borrowings	724	-
Net Cash generated from Financing Activities	2,419	2,733
Net Decrease in Cash and cash equivalents	(1,133)	(907)
Cash and cash equivalents at beginning of the year	1,586	2,493
Cash and cash equivalents at end of the year	453	1,586

Notes to the Consolidated Cash Flow Statement - Year ended 31 December 2008

	2008 US\$000	2007 US\$000
Reconciliation of Operating Loss to Net Cash Outflow from Operating Activities		
Operating loss	(1,085)	(941)
Depreciation	15	32
Share based payments	12	22
Decrease/(Increase) in inventories	169	(397)
Decrease/(Increase) in debtors	249	(91)
Increase in trade and other payables	540	162
Net Cash Outflow from Operating Activities	(100)	(1,213)

KRYSO RESOURCES PLC
Accounting Policies

Basis of Accounting

These Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, IFRIC interpretations and those parts of the Companies Act 1985 applicable to companies reporting under IFRS. The Financial Statements have been prepared under the historical cost convention as modified by goodwill and share based payments which are stated at fair value.

The preparation of Financial Statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The functional currency of the Company and Group is US dollars and accordingly the amounts in the Financial Statements are denominated in that currency. The Balance Sheet rates of exchange for the US dollar to UK Sterling were \$1.4479 to GBP1.

Basis of Consolidation

The consolidated Financial Statements incorporate the Financial Statements of the Company and all Group undertakings. These are adjusted, where appropriate, to conform to Group accounting policies. Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised. The results of companies acquired or disposed of are included in the Group income statement after or up to the date that control passes respectively. As a consolidated Group income statement is published, a separate income statement for the parent company is omitted from the Group Financial Statements by virtue of section 230 of the Companies Act 1985. All significant intercompany transactions and balances between group undertakings are eliminated on consolidation.

Going Concern

As described in the Chairman's Statement on pages 3 and 4, the Group's agreement with Vertex to subscribe for new shares worth GBP2.56 million lapsed on 27 May 2009. Vertex had already provided the Group with initial financing of GBP 500,000 at the equivalent of 5.5p per share through a mandatorily convertible loan. The Company has also reached agreement with Great Basin Gold Limited ('GBG') in respect of a loan provided to the Company of GBP500,000 ('GBG Loan'). The GBG Loan will automatically convert into new ordinary shares of the Company at a subscription price of 5p per new ordinary share upon the Company completing subscriptions for equity or other securities with a total aggregate subscription price of GBP500 or more during the period from 1 June 2009 to 31 August 2009.

On 2 June 2009 the Company entered into a conditional placing agreement with Orbis in respect of up to 30 million new Ordinary Shares of the Company at a placing price of 5p per ordinary share. The placing, if fully subscribed, will raise GBP1.5 million before costs. The net proceeds of the Orbis placing and the funds received from Vertex will fund the completion of the bankable feasibility study, fund the Company's ongoing AIM compliance costs and fund other working capital requirements of the Company and Group.

The completion of the bankable feasibility study will enable the Group to enter into discussions to secure funding to progress the Pakrut gold project into an open pit and underground mining operation. It is likely that these discussions will not be completed for some time and there is no guarantee that the Group will be able to secure sufficient levels of funding on acceptable terms.

The Group's forecasts and projections, taking into account the proceeds of the Equity Placing Agreement with Orbis if fully subscribed and Vertex's mandatorily convertible loan, show that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. For these reasons, the Directors continue to adopt the going concern basis in preparing the financial statements.

Kryso Resources plc
Notice of Annual General Meeting

NOTICE IS HEREBY given that the fifth annual general meeting of the Company will be held at Speechly Bircham LLP, 6 New Street Square, London, EC4A 3LX on Friday, 3 July 2009 at 11.00 am for the following purposes:

Ordinary Business

To consider and, if thought fit, to pass the following resolutions which will be proposed as ordinary resolutions:

1. To receive and adopt the Company's annual accounts for the financial year ended 31 December 2008 together with the last directors' report and auditors' report on those accounts.
2. To reappoint Andrew Malim who retires by rotation.
3. To reappoint Gennady Tolmachev who retires by rotation.
4. To reappoint Littlejohn LLP as auditors, to hold office from the conclusion of the meeting to the conclusion of the next meeting at which the accounts are laid before the Company, at a remuneration to be determined by the directors.

Special Business

To consider and, if thought fit, to pass the following resolutions of which resolution 5 will be proposed as an ordinary resolution and resolutions 6 and 7 will be proposed as special resolutions.

5. THAT the directors be and they are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the 'Act') to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) up to an aggregate nominal amount of GBP 1,500,000 provided that this authority is for a period expiring at the Company's next Annual General Meeting but the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired. This authority is in substitution for all subsisting authorities, to the extent unused.

6. THAT subject to the passing of resolution 5 the directors be and they are empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94(2) of the Act) wholly for cash pursuant to the authority conferred by the previous resolution as if section 89(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

a. in connection with an offer of such securities by way of rights to holders of ordinary shares in proportion (as nearly as may be practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange;

b. in connection with the issue of any shares pursuant to the exercise of any options granted under the Company's unapproved employee share option scheme, adopted by the board of the Company on 24 November 2004 (as amended or replaced from time to time) (the 'Share Option Scheme'); and

c. otherwise than pursuant to sub-paragraphs (a) and (b) above to an aggregate nominal amount of GBP1,000,000.

and shall expire on the conclusion of the next Annual General Meeting of the Company after the passing of this resolution save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

7. THAT new articles of association in the form annexed hereto and initialled by the Chairman for the purposes of identification be and are hereby adopted in substitution for and to the exclusion of the existing articles of association of the Company.

By order of the Board

Craig Brown
Secretary
Dated 9 June 2009

Registered Office:
Unit 3H, Cooper House
2 Michael Road
London SW6 2AD

Notes:

1. A member who is entitled to attend and vote at the meeting may appoint one or more proxies to exercise all or any of his rights to attend, speak and vote on his behalf at the meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

2. To be valid, a form of proxy for use at the meeting, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, must be deposited in hard copy form by post or courier or by hand at the Company's registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA at least 48 hours before the time for holding the meeting.

3. Completion and return of a form of proxy will not preclude shareholder from attending and voting at the meeting in person if he subsequently decides to do so.

4. The following principles shall apply in relation to the appointment of multiple proxies:

a. the Company will give effect to the intentions of members and include votes wherever and to the fullest extent possible;

b. where a proxy does not state the number of shares to which it applies (a 'blank proxy') then, subject to the following principles where more than one proxy is appointed, that proxy is deemed to have been appointed in relation to the total number of shares registered in the name of the appointing member (the 'member's entire holding'). In the event of a conflict between a blank proxy and a proxy which does state the number of shares to which it applies (a 'specific proxy'), the specific proxy shall be counted first, regardless of the time it was sent or received (on the basis that as far as possible, the conflicting forms of proxy should be judged to be in respect of different shares) and remaining shares will be apportioned to the blank proxy (pro rata if there is more than one);

c. where there is more than one proxy appointed and the total number of shares in respect of which proxies are appointed is no greater than the member's entire holding, it is assumed that proxies are appointed in relation to different shares, rather than that conflicting appointments have been made in relation to the same shares. That is, there is only assumed to be a conflict where the aggregate number of shares in respect of which proxies have been appointed exceeds the member's entire holding;

d. when considering conflicting proxies, later proxies will prevail over earlier proxies, and which proxy is later will be determined on the basis of which proxy is last sent (or, if the Company is unable to determine which is last sent, last received). Proxies in the same envelope will be treated as sent and received at the same time, to minimise the number of conflicting proxies;

e. if conflicting proxies are sent or received at the same time in respect of (or deemed to be in respect of) an entire holding, none of them shall be treated as valid;

f. where the aggregate number of shares in respect of which proxies are appointed exceeds a member's entire holding and it is not possible to

determine the order in which they were sent or received (or they were all sent or received at the same time), the number of votes attributed to each proxy will be reduced pro rata;

g. where the application of paragraph (f) above gives rise to fractions of shares, such fractions will be rounded down;

h. if a member appoints a proxy or proxies and then decides to attend the meeting in person and vote, on a poll, using his poll card, then the vote in person will override the proxy vote(s). If the vote in person is in respect of the member's entire holding then all proxy votes will be disregarded. If, however, the member votes at the meeting in respect of less than the member's entire holding, then if the member indicates on his polling card that all proxies are to be disregarded, that shall be the case; but if the member does not specifically revoke proxies, then the vote in person will be treated in the same way as if it were the last received proxy and earlier proxies will only be disregarded to the extent that to count them would result in the number of votes being cast exceeding the member's entire holding; and

i. in relation to paragraph (h) above, in the event that a member does not specifically revoke proxies, it will not be possible for the Company to determine the intentions of the member in this regard. However, in light of the aim to include votes wherever and to the fullest extent possible, it will be assumed that earlier proxies should continue to apply to the fullest extent possible.

5. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, only those members entered on the Company's register of members not later than 11:00 am on 1 July 2009 or, if the meeting is adjourned, shareholders entered on the Company's register of members not later than 48 hours before the time fixed for the adjourned meeting shall be entitled to attend and vote at the meeting.

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