

Ovoca Gold PLC
28 September 2012

Ovoca Gold plc ("Ovoca" or the "Company")
2012 Interim Results

Ovoca Gold is pleased to announce its interim financial statements and report covering the six month period from 1 January 2012 to 30 June 2012.

Highlights:

- Cash and cash equivalents and available for sale financial assets of US\$36.6 million as at 30 June 2012
- Exploitation license for the Olcha deposit received from the Russian State regulatory bodies
- Successful mobilization during the 2012 summer field season for exploration and development at the two core projects at Stakhanovskiy and Rassoshinskaya
- Appointment of Kirill Golovanov as CEO
- Stakhanovskiy Project surface trench assay results from Berezitoviy and Burovaya ore bodies of:
 - ❖ 2.5 metres at 281.40 g/t gold
 - ❖ 4.0 metres at 41.28g/t gold
 - ❖ 1.5 metres at 45.76 g/t gold
- Processing of approximately 5,000 tonnes of primary rock by gravity concentration plant from Berezitoviy and Zabolocheny ore bodies
- Rassoshinskaya Project HQ-sized core drilling at the Zet Prospect produced two significant intersections:
 - ❖ 0.4 metres at 74.40 g/t gold and 342.0 g/t silver
 - ❖ 2.0 metres at 4.53 g/t gold and 38.9 g/t silver

Post period:

- Continuation of bulk sample gravity processing at Stakhanovskiy with increased average daily throughput
- Processing of 16,586 tonnes (for the 2012 calendar year to end of August) of primary rock from the Berezitoviy and Zabolocheny ore bodies by gravity concentration, averaging 204 tonnes per day
- Diamond core drilling started at Berezitoviy with 288 metres drilled in August from a planned 4,020 metres
- Appointment of Wardell Armstrong International to estimate resources at the Stakhanovskiy Project
- Thin high-grade gold drill intersections discovered at Podgorniy. High grade gold drill intercepts were found to persist at considerable depth to 356 metres vertical below surface
- The three best HQ diamond core drill holes intercepted at Podgorniy were:
 - ❖ 1.2 metres at 10.40 g/t gold and 101.00g/t silver from 26.0 metres depth
 - ❖ 2.9 metres at 7.94 g/t gold and 18.70 g/t silver from 34.4 metres depth
 - ❖ 0.9 metres at 10.00 g/t gold and 11.50 g/t silver from 356.0 metres depth
- Bazaar Prospect: New high sulphidation type pyrite mineralization discovered within a 600 metre trench and from 1,050 metres of core drilling. If gold is associated with this pyrite a new target type has potentially been identified
- Agromniy Prospect: 1,000 metres of surface trenching exposed a visible lead-silver (and potential gold) quartz vein at least 250 metres in length. Trenching is being undertaken perpendicular to the vein

CEO's letter

Dear shareholders,

It is my pleasure to report to you our financials and the results of our work for the first half of 2012. This year we identified a number of tasks which we sought to advance, building upon progress achieved in 2011. On Stakhanovskiy we planned to commence operations with our pilot bulk sampling plant which was built in 2011 and to complete a bulk sampling and drilling program which would allow us to calculate updated JORC resources for this project. On Rassoshinskaya we planned to continue further exploration works on last year's

sites, Podgorniy and Zet, and also commenced drilling on a new target, Bazaar. On the corporate level we received a full exploitation license for the Olcha deposit.

Exploration:

Stakhanovskiy Project

The hard rock gravitation bulk sampling plant was commissioned and was operating to capacity. Following on from work undertaken in 2011, in the first half of 2012 further samples were taken from trenches and large bulk samples excavations. The bulk sampling plant throughput averaged 189 tonnes per 24 hour period and 5,000 tonnes of ore from the Berezitoviy and Zabolocheniye ore bodies were processed in the first half of 2012. The gravity concentrates and samples from the mill were collected. Samples were transported to Magadan for shaking table processing, with products fire assayed by Alex Stewart Laboratories in Moscow.

Diamond core drilling commenced at the end of August. An updated resource estimate by consultants Wardell Armstrong International on the current JORC Inferred category resource is planned to be completed by the end of 2012, once all bulk sampling, trenching and drilling is completed and the results have been received.

A total of 284 linear metres of trenches were completed at Zabolocheniye and three 50 metre x 20 metre rectangular areas were cleared and excavated on the Zabolocheniye orebody beneath shallow colluvium. These areas were blasted to 1.5 metres depth and mined and stockpiled on the plant ore pad adjacent to the crusher ready for processing in the bulk sampling plant.

Gold assays were received for a total of 286 samples taken from trenches completed in 2011 with an extra 5 grab samples. The average linear sample length was 1.5 metres and the total weight of all samples was 4,648 kg. The trench samples were processed on a shaking table with products assayed. The average gold grade of all samples was 2.63g/t and there are 15 significant trench intervals, >1.0g/t gold, shown in Table 1. Samples were taken from near surface semi-oxidized highly altered diorite dykes that contain extensive quartz veining. The assays were higher in gold grade than expected which illustrates the potential of the resource to be upgraded and to progress the project to feasibility.

Table 1: Stakhanovskiy Trench Sample, Fire Assay 50g, >1g/t gold

Trench Name	From (m)	To (m)	Interval (m)	Gold Grade g/t
KBR1	4.5	10.5	6.0	1.67
KBR1	13.5	15.0	1.5	1.72
KBR2	31.5	33.0	1.5	1.21
KBR4	3.0	4.5	1.5	8.06
KBR4	10.5	12.0	1.5	2.31
KBR4	18.5	22.5	4.0	3.81
KBR4	32.5	35.5	3.0	1.98
KBR5	5.5	7.0	1.5	2.02
TBR1-3	24.0	25.5	1.5	1.22
TBR1-5	26.0	27.5	1.5	1.24
TBR2-7	9.0	11.5	2.5	281.40
TBU1-2	10.5	13.5	3.0	2.79
TBU1-4	1.5	3.0	1.5	45.76
TBU1-4	7.5	8.5	1.0	1.03
TBU1-6	4.0	8.0	4.0	41.28

Rassoshinskaya Project

Podgorniy Prospect

A total of 8 diamond drill core holes for 1,580 metres were completed. Drilling tested various depths less than 350 metres vertical from surface and locations across a 1,000 metre long by 350 metre wide gold-silver mineralized zone.

Zet Prospect

A total of 15 diamond drill core holes for 2,229 meters were completed. Drilling was undertaken over a 2km strike length with maximum depths down to 200m vertical from surface. Gold fire assay results were received for 325 samples. A table of significant gold assay results is shown in Table 1. Alteration and mineralisation zones composed of typical banded epithermal quartz-adularia veining were found to continue at depth and along the strike length from Ovoca Gold's trenching and drilling completed in 2011.

Table 2: Zet Prospect HQ diamond core drill intersections, Fire Assay 50g, >1g/t gold

Drill Hole Name	Down hole depth (m)	Depth from Surface (m)	Interval (m)	True thickness (m)	Gold Grade g/t	Silver Grade g/t
CZ-30	108.4	93.9	0.5	0.4	74.40	342.0
CZ-31	144.0	124.7	2.4	2.0	4.53	38.9

Bazaar Prospect

A total of 600 linear meters of trenches were completed to identify potential targets for drilling. A 20 metre wide primary stockwork type quartz-carbonate vein system was discovered in the trenches near two historical surface float rock chip samples that have assay values of 24g/t and 60g/t gold, centred on an east-west striking creek so is covered with alluvial rocks.

Northwest Bazaar Project

Reconnaissance geological mapping identified a new prospect with extensive epithermal quartz veins on the surface. Historical surface float rock chip assays have gold values up to 5.0g/t. A 50m trenching program tested the area.

Corporate:

Olcha exploitation license

On April 3, 2012 Ovoca was granted an exploitation license for the Olcha deposit by the Russian State regulatory bodies. The Company was granted a 25 year exploitation license regarding Olcha (license number MAG 04341 BE, valid to 3 April 2037).

The Olcha license has a total area of 2.5 square kilometers and allows the Company, through its Russian ZAO Bulun subsidiary, to mine gold and silver. The State-certified reserves equal 279,000 ounces of gold at a grade of 13.4 g/t and 655,000 ounces silver at a grade of 31.6 g/t in the Russian reserve category C1 + C2 (this is not JORC compliant and not reviewed by a Competent Person). The Company, as per the license terms, must begin construction of a mine no later than 3 October 2020.

Board and management appointment

On April 12, 2012 Kirill Golovanov joined the Board of directors and on May 3, 2012 he was appointed CEO. Mr. Golovanov joined Ovoca as a corporate advisor in 2007 and moved to be the manager of the Company's Russia representative office in 2009. During his time at Ovoca he played a major role in the development and subsequent sale of the Goltsovoye silver deposit. He has extensive experience in mining and corporate law, as well as working experience at leading Russian enterprises, such as Gazprombank and Vneshekonombank.

Sincerely,
Kirill Golovanov
CEO

Ovoca Gold plc
Interim results for the six months ended 30 June 2012

CONSOLIDATED INCOME STATEMENT	Unaudited 6 Months ended 30/06/2012 €'000	Unaudited 6 Months ended 30/06/2011 €'000	Unaudited 6 Months ended 30/06/2012 \$'000	Unaudited 6 Months ended 30/06/2011 \$'000
Continuing operations				
Exploration costs written off	-	(166)	-	(233)
Gross loss	-	(166)	-	(233)
Administration expenses	(977)	380	(1,267)	533
Share option expense	-	(44)	-	(62)
Other gains and losses	(1,023)	7,379	(1,328)	10,353
Operating (loss)/profit	(2,000)	7,549	(2,595)	10,591
Finance costs	(526)	(645)	(685)	(905)
Finance income	368	354	478	496
(Loss)/profit for the period before tax	(2,158)	7,258	(2,802)	10,182
Income tax	-	(88)	-	(123)
(Loss)/profit for the period from continuing operations	(2,158)	7,170	(2,802)	10,059
(Loss)/profit for the period	(2,158)	7,170	(2,802)	10,059
Attributable to:				
Owners of the parent	(2,158)	7,170	(2,802)	10,059
	(2,158)	7,170	(2,802)	10,059
(Loss)/earnings per share				
Basic (loss)/earnings per share from continuing operations	(0.02) cents	0.08 cents	(0.03) cents	0.12 cents
Fully diluted (loss)/earnings per share from continuing operations	(0.02) cents	0.08 cents	(0.03) cents	0.11 cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	Unaudited 6 Months ended 30/06/2012 €'000	Unaudited 6 Months ended 30/06/2011 €'000	Unaudited 6 Months ended 30/06/2012 \$'000	Unaudited 6 Months ended 30/06/2011 \$'000
(Loss)/profit for the period	(2,158)	7,170	(2,802)	10,059
Other comprehensive income/(expense):				
Movement on available for sale financial assets	(1,504)	(8,600)	(1,891)	(10,516)
Exchange movement	1,475	(2,784)	(1,007)	(1,402)
Total comprehensive loss for the period	(2,187)	(4,214)	(5,700)	(1,859)

There is no income tax impact in respect of components recognised within the consolidated statement of comprehensive income.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Share capital	Share premium	Share based payment reserve	Other reserves	Foreign Currency Translation Reserve	Retained earnings	Total (attributable to owners of the parent)
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
At 1 January 2012	11,057	-	1,294	6,107	2,609	29,086	50,153
Comprehensive income:							
Loss for the period	-	-	-	-	-	(2,158)	(2,158)
Other comprehensive income							
Fair value movement on available for sale financial assets	-	-	-	(1,504)	-	-	(1,504)
Realised exchange movement on available for sale assets disposed of during the period	-	-	-	-	-	-	0
Exchange movement	-	-	-	-	1,475	-	1,475
Total comprehensive income	-	-	-	(1,504)	1,475	(2,158)	(2,187)
Total transactions with owners	-	-	-	-	-	-	-
At 30 June 2012	11,057	0	1,294	4,603	4,084	26,928	47,966
At 1 January 2011	11,057	48,108	1,253	16,729	2,494	(22,893)	56,748
Comprehensive income:							
Gain for the period	-	-	-	-	-	7,170	7,170
Other comprehensive income							
Fair value movement on available for sale financial assets	-	-	-	(8,600)	-	-	(8,600)
Realised exchange movement on available for sale assets disposed of during the period	-	-	-	-	(971)	-	(971)
Exchange movement	-	-	-	-	(1,813)	-	(1,813)
Total comprehensive income	-	-	-	(8,600)	(2,784)	7,170	(4,214)
Transactions with owners							
Reduction of Share Premium	-	(48,108)	-	-	-	48,108	-
Share based payments	-	-	41	-	-	-	41
Share Buy Back	-	-	-	-	15	(60)	(45)
Total transactions with owners	-	(48,108)	41	-	15	48,048	(4)
At 30 June 2011	11,057	-	1,294	8,129	(275)	32,325	52,530

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited 30/06/2012 €'000	Audited 31/12/2011 €'000	Unaudited 30/06/2012 \$'000	Audited 31/12/2011 \$'000
Assets				
Current assets				
Inventories	167	120	210	155
Trade and other receivables	1,226	7,241	1,542	9,373
Cash and cash equivalents	20,397	19,826	25,652	25,672
	21,790	27,187	27,404	35,200
Non current assets				
Property, plant and equipment	3,034	2,583	3,816	3,603
Intangible assets	26,121	24,635	36,882	34,954
Available for sale financial assets	8,733	8,877	10,984	11,494
	37,888	36,095	51,682	50,051
Total assets	59,678	63,282	79,086	85,251
Liabilities				
Current liabilities				
Trade and other payables	662	476	833	616
Contingent provisions	7,044	2,275	8,859	2,946
	7,706	2,751	9,692	3,562
Non current liabilities				
Contingent provisions	4,006	10,378	5,038	13,647
Total liabilities	11,712	13,129	14,730	17,209
Net assets	47,966	50,153	64,356	68,042
Equity				
Ordinary shares	11,057	11,057	15,586	15,586
Other reserves	4,603	6,107	6,003	7,894
Foreign currency translation reserve	4,084	2,609	3,903	2,896
Share based payment reserve	1,294	1,294	1,759	1,759
Profit and loss account	26,928	29,086	37,105	39,907
	47,966	50,153	64,356	68,042

CONSOLIDATED STATEMENT OF CASH FLOWS

	Unaudited 30/06/2012 €'000	Audited 31/12/2011 €'000	Unaudited 30/06/2012 \$'000	Audited 31/12/2011 \$'000
Cash flows from operating activities				
Net (loss)/profit for the period/year before tax	(2,158)	4,263	(2,802)	5,937
Foreign currency reserve movement	1,475	115	1,007	(506)
Exploration costs written off	-	1,528	-	2,128
Depreciation	35	78	45	109
Net Finance Costs	(158)	(201)	(207)	(239)
Share option expense	-	41	-	53
(Increase)/decrease in inventories	(47)	(85)	(55)	(109)
Decrease/(Increase) in trade and other receivables	6,015	(2,323)	7,831	(2,856)
Increase/(decrease) in trade and other payables	186	(106)	217	(329)
Net cash flow from continuing operations	5,348	3,310	6,036	4,188
Net cash flow from operating activities	5,348	3,310	6,036	4,188
Cash flow from financing activities				
Net interest received	158	201	207	239
Net repayment on contingent consideration	(1,603)	-	(2,696)	-
Payments to acquire Treasury Shares	-	(392)	-	(575)
Net cash flow from financing activities	(1,445)	(191)	(2,489)	(336)
Cash flows from investing activities				
Expenditure on exploration activities	(1,486)	(2,750)	(1,928)	(3,830)
Net proceeds/(purchases) of property, plant & equipment	(486)	(1,911)	(258)	(2,688)
Purchase of available for sale assets	(1,360)	-	(1,381)	0
Net (loss)/gain on AFS assets	-	12,974	-	17,215
Net cash flow from investing activities	(3,332)	8,313	(3,567)	10,697
Net (decrease)/increase in cash and cash equivalents	571	11,432	(20)	14,549
Cash and cash equivalents at the beginning of period/year	19,826	8,394	25,672	11,123
Cash and cash equivalents at the end of period/year	20,397	19,826	25,652	25,672

1 Basis of Preparation

The interim consolidated financial statements for the six months ended 30 June 2012 have been prepared in accordance with IAS 34 'Interim Financial Reporting' as issued by the International Accounting Standards Board.

The interim consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as at 31 December 2011.

2 Accounting Policies

The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2011.

The adoption of other new standards and interpretations (as set out in the 2011 Annual Report) that became effective for the Group's financial statements for the year ended 31 December 2012 did not have any significant impact on the interim financial statements.

3 Going concern

The interim financial statements consolidate the financial statements of Ovoca Gold Plc and its subsidiary undertakings for the six months ended 30 June 2012. The company uses the full cost method of accounting for exploration costs. Under this method all costs associated with exploration are capitalised. The recovery of exploration costs is dependent on the successful production of economic quantities of precious metals and other minerals. If commercial production is achieved, the unit of production basis will be used to amortise all remaining balances in the proportion the current production in a period bears to total estimated recoverable reserves. Provision for impairment is made where a project is abandoned or considered to be of no further interest to the group or its anticipated income potential is less than the carrying value of the project on the statement of financial position. The directors have reviewed the current state of the group's finances, taking into account resources currently available to the group. The directors are satisfied that sufficient funding will be available to the group to enable it to trade at its projected level of operations for the foreseeable future. On this basis the directors consider that it is appropriate to prepare the financial statements on the going concern basis. The directors consider that in preparing the financial statements they have taken into account all information that could reasonably be expected to be available. The financial statements do not include any adjustments that would result if the Director's plans were not successful.

4 Segmental reporting

Segment information is presented in accordance with IFRS 8 – Operating Segments with effect from 1 January 2010. Comparative information is presented on a consistent basis.

At 30 June 2012, the Group had two business segments, Exploration activities and Investment. Exploration activities are primarily carried out by number of subsidiary companies based in Russia. Investing activities are carried out by another subsidiary company located in Bermuda. Unallocated costs represent group administration costs, primarily incurred in Ireland.

Period ended 30 June 2012	Exploration Activities	Investment	Unallocated	Total	Exploration Activities	Investment	Unallocated	Total
	€'000	€'000	€'000	€'000	US\$'000	US\$'000	US\$'000	US\$'000
Exploration costs written off	-	-	-	0	-	-	-	0
Administration expenses	(139)	(255)	(582)	(976)	(181)	(331)	(755)	(1,267)
Other gains and losses	-	(1,008)	(15)	(1,023)	-	(1,309)	(19)	(1,328)
Operating loss	(139)	(1,264)	(597)	(2,000)	(181)	(1,640)	(774)	(2,595)
Finance costs	(126)	(399)	(1)	(526)	(164)	(520)	(1)	(685)
Finance income	59	308	1	368	76	401	1	478
Loss before tax	(206)	(1,355)	(597)	(2,158)	(269)	(1,759)	(774)	(2,802)
Segment assets	14,483	45,083	112	59,678	22,247	56,699	141	79,086
Segment liabilities	(495)	(11,050)	(167)	(11,712)	(623)	(13,897)	(210)	(14,730)
Net assets	13,988	34,033	(55)	47,966	21,624	42,802	(69)	64,356

Period ended 30 June 2011	Exploration Activities	Investment	Unallocated	Total	Exploration Activities	Investment	Unallocated	Total
	€'000	€'000	€'000	€'000	US\$'000	US\$'000	US\$'000	US\$'000
Exploration costs written off	(98)	-	(68)	(166)	(137)	-	(95)	(232)
Administration expenses	267	2,146	(2,077)	336	375	3,010	(2,914)	471
Other gains and losses	121	7,259	(1)	7,379	170	10,185	(1)	10,354
Operating profit/(loss)	290	9,405	(2,146)	7,549	408	13,195	(3,010)	10,593
Finance costs	(94)	(598)	47	(645)	(132)	(839)	66	(905)
Finance income	161	192	1	354	226	269	1	496
Profit/loss before tax	357	8,999	(2,098)	7,258	502	12,625	(2,943)	10,184
Segment assets	16,148	49,004	135	65,287	23,236	70,514	195	93,946
Segment liabilities	(763)	(11,721)	(269)	(12,753)	(1,098)	(16,866)	(387)	(18,351)
Net assets	15,385	37,283	(134)	52,534	22,138	53,648	(192)	75,595

4 Segmental reporting (continued)

Secondary reporting format - geographical segments

The Group's business segments and its assets are located in the Russia, Bermuda, Ireland and the United Kingdom. The table above shows income and expenditure and assets and liabilities by primary geographical segments on the basis that exploration activities are carried out in Russia, investment activity is carried out in Bermuda and unallocated amounts relate to costs incurred in Ireland and the United Kingdom.

5 Financial assets available for sale

Financial assets available for sale are held at their fair value and consist of quoted securities. There was a fall in the price of the securities during the period but their overall performance remains strong, the decrease of the total value of the financial assets being caused by that fall. During the period the company disposed of its investment in the asset managed fund and acquired an additional amount of quoted securities with the proceeds.

6 Contingent provisions

The Change in the Provisions is due to the timing of the deferred consideration payable on the acquisition of the 3 Russian subsidiaries, with the bulk of the conditional payment now falling due within the next 18 months.

The movement on deferred consideration during the period/year is as follows:

	Unaudited 30/06/2012 €'000	Audited 31/12/2011 €'000	Unaudited 30/06/2012 \$'000	Audited 31/12/2011 \$'000
Deferred consideration at 1 January 2012	12,653	12,082	16,593	16,010
Effective interest for the period	396	806	304	1,123
Payments made during the period	(2,386)	-	(3,000)	-
Exchange rate movement for the period	387	182	-	-
Fair value adjustment on re-evaluation of payment dates of deferred consideration	-	(417)	-	(540)
Deferred consideration at 30 June 2012	11,050	12,653	13,897	16,593

7 Events after the reporting period

There have been no significant events affecting the Group since the interim period.

8 Approval of the financial statements

The interim report was approved by the Board of Directors on 27th September 2012 and is included on the Company's website, www.ovocagold.com.

The resource information contained in this announcement has been compiled and verified by Mr. Darren Allingham for the purposes of the AIM Note for Mining and Oil & Gas Companies issued by the London Stock Exchange in June 2009. Mr. Allingham is a member of The Australasian Institute of Mining and Metallurgy and The Australian Institute of Geoscientists and is a JORC (2004) competent person for the type of minerals being reported on in this statement. Mr. Allingham is a Geologist with over 17 years of work experience in gold exploration, resource estimation and mining, in thirteen different countries and has Bachelors and Bachelors with honours degrees in geology from The Australian National University and The University of Queensland, Australia. Mr. Allingham consents to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.

Ovoca Gold Plc
Kirill Golovanov +7 495 916 6029

Davy - NOMAD, ESM Adviser and Joint Broker
John Frain/Daragh O'Reilly +353 1 679 6363

Fairfax I.S. PLC - Joint Broker
Ewan Leggat/Laura Littlely +44 207 598 5368