



Orogen Gold plc

Interim Report 2013

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Highlights

- Near surface gold discovery in Armenia - impressive widths and grades
- Maiden gold resource at Mutsk targeted for 2014
- \$2.5 million / 80% earn-in on Mutsk gold property scheduled to complete in 2016
- Drilling high-grade trench discoveries at Deli Jovan in Serbia targeting open-pittable resource
- Strong balance sheet and cash position
- Mutually agreed with Darwin Strategic to cancel Equity Finance Facility

Chairman's Statement

Orogen's strategy as a gold exploration and project development company is to acquire prospective early-stage growth opportunities at a low entry cost within the European arena. In particular, we are focused on the gold grade of our prospects and gold grade for us is a proxy for profit margin.

I am delighted with our progress during the period. In particular, I am excited about our new gold discovery in Armenia where we have reported very impressive initial drilling results from the Mutsk gold project which cut relatively high grades over robust widths near surface. We are continuing with drilling programmes on both of our gold projects and look forward to another exciting round of drilling results over the next few months. Although at an early stage, the Mutsk project in particular has the potential to be a Company-maker. We are keen to resume drilling on this project before the winter. Results from Deli Jovan in Serbia are most encouraging and current drilling is targeting the potential for a near surface open pit gold resource close to the old Gindusa mine.

The exploration potential at the Mutsk gold project was recognised late last year by Orogen management which moved quickly to secure an interest in the property. This opportunity was uncovered for a total cost to date of £200,000. With only a handful of drill-holes completed on the project the potential is clear. Drilled widths and average grades even at this early stage show that if we can establish strike continuity in the next round of drilling then we can target a maiden inferred gold resource for the property in 2014.

The Mutsk gold project sits in the very exciting and little explored part of the major Tethyan metallogenic belt, which includes Lydian International's Amulsar gold deposit (published resource 2.3 million ounces of gold) located just 30km from Mutsk.

In the coming weeks our geologists, including a Canadian epithermal and porphyry expert, will be on site in Armenia to plan the next phase of drilling which we hope to commence later this year and complete in the 2014 field-season.

"The easiest place to make a new mine is beside an old one" the saying goes and that has been our approach at Deli Jovan in Serbia. The initial thrust of our exploration was to find continuity of the high-grade lodes beneath the old underground workings at the Rusman and Gindusa Mines. The main gold lode, and indeed newly discovered lodes, was confirmed by drilling in 2012 as deep as 280 metres, with most of the 15 drill holes intersecting gold mineralisation. However, the continuity of width and grade has been challenging with respect to providing sufficient confidence to commit to commence mining and therefore our focus has shifted to an exciting new near-surface discovery at Gindusa West where late last year trenching cut exceptionally high gold grades – three metres averaging 29.6 g/t.

More good news came during H1 2013, with further trenching at Gindusa West returning excellent gold grades, while also confirming a 300 metre strike-extent on the shallow mineralised zone. Current drilling is testing the possible shallow extensions to this high-grade surface mineralisation and success would certainly warrant a second-phase of drilling on this target to establish an initial resource and put us on a track towards evaluation of the potential for a shallow starter open-pit operation to exploit this high-grade mineralisation. Assay results should be available in Q4 2013 from Deli Jovan.

Over the last month the interest in junior gold exploration companies has increased and it is now encouraging to see that genuinely good exploration results are now being rewarded with a lift in share prices. Although markets remain volatile, we are optimistic and believe that with continuing positive exploration results we will enjoy strong market support and for this reason we feel we can

Chairman's Statement

no longer maximise the benefit of an EFF and have therefore mutually agreed with Darwin Strategic to cancel the facility.

Orogen's treasury is relatively strong and, with comparatively very low overheads, the vast bulk of the funds raised from our shareholders go into our projects. We work very cost effectively with our partners in Armenia and Serbia by leveraging on their established infrastructures. We bring in the best experts in areas of specific technical expertise in structural geology, epithermal gold deposits and narrow-vein mining so that we maximise effectiveness in our decision making. Our general administration is run cost effectively from our Dublin office by sharing a highly experienced team with other resource companies. This ensures that we squeeze the greatest value from the funds entrusted to us by our shareholders. Our philosophy is very much one of alignment and incentivisation of management with our stakeholders' interests, based on success and value creation. Similarly, we respect our people, our partners and the communities and environments in which we work.

John Barry

Chairman

Date: 24 September 2013

Chief Executive's Report

The six month period to 30 June 2013 was significant in that Orogen added a second high-quality asset to the Company. We are pleased to report important progress by the Company on both projects.

Mutsk project, Armenia

In January, we concluded negotiations on an earn-in agreement on the Mutsk gold project in Southern Armenia. Our aim was to confirm the potential of a low-sulphidation gold epithermal system discovered by our partners, Georaid CJSC in 2011 through a programme of shallow vertical drilling. Orogen's verification work comprised re-logging and sampling of existing drill core, as well as detailed mapping and sampling in the under-explored permit area. We also commenced a short programme of diamond drilling in Q2, the results of which we announced in August 2013.

Orogen believed that the original sampling during the 2011 drill programme may have understated the grades and widths of the zone, as not all drill core was sampled and the sampling process was not fully compliant with best practice. Re-sampling of most of the historic core was carried out under Orogen's supervision, with tighter QA/QC control over the process. This confirmed substantially higher grades and greater widths than reported previously.

Previous results reported included:

B-5: 14.4m @ 1.09g/t Au, including 5.0m @ 2.75g/t Au

B-7: 5.1m @ 1.26g/t Au

Re-sampling and re-assaying by Orogen of the same holes returned the following results:

B-5: 23.8m @ 3.34g/t Au, including 17.5m @ 4.17g/t Au

B-7: 14.0m @ 3.27g/t Au

Confirmatory drilling of six short vertical and angled holes undertaken by Orogen repeated the higher tenor of gold grades, with assay intervals including 11.0m @ 5.56g/t Au (hole OG13-01) and 10.2m @ 5.73g/t Au (hole OG13-02). The re-sampling and drilling programme undertaken by the Company has suggested that the mineralised zone extends over almost 1km of strike, with possible extension to 2km+. The results demonstrate an exciting new gold discovery at shallow depths within an established epithermal district. While further work is needed to fully understand the controls on mineralisation, we are particularly encouraged by the high grades and widths encountered in several of the holes and the apparently large strike extent of the system.

We have announced our intention to move into Phase 2 of programme to earn an 80% interest in the property.

Deli Jovan project, Serbia

At Deli Jovan, following receipt of excellent trenching results, the Board took the decision to re-prioritise drilling to focus on shallow testing of the high grade trench discoveries at Gindusa West.

Exploration undertaken included further high-density soil sampling, followed by step-out trenching from the 2012 discovery trench, TAG-2, reported last year (3m @ 29.6g/t Au) in order to extend and define the mineralised zone.

Highlights of the 2013 work based on channel sample assaying include a 3.5m intercept grading 61.42 g/t Au including a 2m zone assaying 107 g/t Au in trench T6, on a separate structure to the north of the TAG-2 intercept. A further 350m to the northwest, trench T8 intersected a mineralised shear zone assaying 5.75 g/t Au over 2.0m, including 1m @ 8.88 g/t Au.

Chief Executive's Report

Interpretation of the results received indicated that the main gold-mineralised, steeply north-dipping east-west shear structure intersected in trench TAG-2 late last year, extends for at least 360m. Widths range from 1.0-13.0m and gold grades range from 1.44-29.55 g/t. The continuity and width of this zone at surface is particularly encouraging as previously mapped vein structures at Deli Jovan tend to be narrower and of shorter strike extent.

A minimum 1,000m drill programme is planned in Q3 to test the sub-surface extensions of the mineralised zones encountered in trenching. Results will be reported as they are received and interpreted.

Financial and Corporate Review

At 30 June 2013 cash stood at £1,553,000 (31 December 2012: £1,621,000). The loss for the period amounted to £185,000 (6 months to 30 June 2012: £263,000).

Outlook

Orogen has reached a very exciting stage in its development. We look forward to announcing further progress from both projects.

Ed Slowey

Chief Executive

Date: 24 September 2013

Group statement of comprehensive income
For the six months ended 30 June 2013

	Notes	Unaudited 6 months to 30 June 2013 £'000	Unaudited 6 months to 30 June 2012 £'000	Audited 12 months to 31 December 2012 £'000
Continuing operations				
Revenue		—	—	7
Operational costs		—	—	—
Gross loss		—	—	7
General and administrative		(197)	(182)	(499)
Share based payments		(1)	(106)	(196)
Group operating loss		(198)	(288)	(688)
Interest received		13	25	37
Loss on ordinary activities before taxation		(185)	(263)	(651)
Tax on loss on ordinary activities		—	—	—
Loss for the year from continuing operations		(185)	(263)	(651)
Attributable to:				
Equity holders of the parent		(184)	(262)	(651)
Non-controlling interests		(1)	(1)	—
		(185)	(263)	(651)
Loss per share:				
Loss per share – basic and diluted, attributable to ordinary equity holders of the parent	3	(0.01)	(0.01)	(0.03)
Other comprehensive income				
Group loss for the period		(185)	(263)	(651)
Exchange translation differences		9	3	17
Total comprehensive loss for the year		(176)	(260)	(634)
Attributable to:				
Owners of the parent		(175)	(259)	(634)
Non-controlling interests		(1)	(1)	—
		(176)	(260)	(634)

Group statement of financial position
As at 30 June 2013

	Notes	Unaudited 30 June 2013 £'000	Unaudited 30 June 2012 £'000	Audited 31 December 2012 £'000
Assets				
Non-current assets				
Exploration and evaluation assets	4	5,278	4,443	4,986
Property, plant and equipment		24	25	23
Total non-current assets		5,302	4,468	5,009
Current assets				
Trade and other receivables		58	110	368
Cash and cash equivalents	5	1,553	1,502	1,621
Inventories		—	20	—
Total current assets		1,611	1,632	1,989
Total assets		6,913	6,100	6,998
Equity and liabilities				
Equity				
Share capital	6	2,841	2,567	2,841
Share premium	6	11,325	10,239	11,325
Other reserves		739	625	729
Retained earnings		(8,561)	(7,988)	(8,377)
Equity attributable to owners of the parent		6,344	5,443	6,518
Non-controlling interests		402	349	403
Total equity		6,746	5,792	6,921
Current liabilities				
Trade and other payables		167	308	77
Total current liabilities		167	308	77
Total liabilities		167	308	77
Total equity and liabilities		6,913	6,100	6,998

Group cash flow statement
For the six months ended 30 June 2013

Notes	Unaudited 6 months to 30 June 2013 £'000	Unaudited 6 months to 30 June 2012 £'000	Audited 12 months to 31 December 2012 £'000
Cash flows from operating activities			
Group operating loss	(198)	(288)	(688)
Decrease/(increase) in trade and other receivables	317	(38)	(272)
Increase/(decrease) in trade and other payables	88	77	(156)
Decrease in inventories	—	1	—
Share based payments	1	106	196
Net cash flow from operating activities	208	(142)	(920)
Cash flow from investing activities			
Payments advanced as part of project earn-in	—	(327)	(335)
Expenditure on exploration and evaluation assets	(292)	(191)	(681)
Net cash inflow on acquisition of subsidiary	—	130	130
Interest received	13	25	37
Net cash flow from investing activities	(279)	(363)	(849)
Cash flow from financing activities			
Net proceeds from issue of equity instruments	—	—	1,360
Net cash flow from financing activities	—	—	1,360
Net change in cash and cash equivalents	(71)	(505)	(409)
Net foreign exchange difference	3	3	26
Cash and cash equivalents at beginning of period	1,621	2,004	2,004
Cash and cash equivalents at end of period	5	1,502	1,621

**Group statement of changes in equity
For the six months ended 30 June 2013**

	Share capital £'000	Share premium £'000	Share based payment reserve £'000	Retained earnings £'000	Foreign currency translation reserve £'000	Total £'000	Non-controlling interests £'000	Total equity £'000
Balance at 1 January 2012	2,567	10,239	516	(7,726)	—	5,596	—	5,596
Loss for the period	—	—	—	(262)	—	(262)	(1)	(263)
Share based payments	—	—	106	—	—	106	—	106
Foreign exchange translation reserve	—	—	—	—	3	3	—	3
Acquisition of subsidiary	—	—	—	—	—	—	350	350
Balance at 30 June 2012	2,567	10,239	622	(7,988)	3	5,443	349	5,792
Balance at 1 July 2012	2,567	10,239	622	(7,988)	3	5,443	349	5,792
Loss for the period	—	—	—	(389)	—	(389)	1	(388)
Issue of share capital	274	1,161	—	—	—	1,435	—	1,435
Share issue costs	—	(75)	—	—	—	(75)	—	(75)
Share based payments	—	—	90	—	—	90	—	90
Foreign exchange translation reserve	—	—	—	—	14	14	—	14
Acquisition of subsidiary	—	—	—	—	—	—	53	53
Balance at 31 December 2012	2,841	11,325	712	(8,377)	17	6,518	403	6,921
Balance at 1 January 2013	2,841	11,325	712	(8,377)	17	6,518	403	6,921
Loss for the period	—	—	—	(184)	—	(184)	(1)	(185)
Share based payments	—	—	1	—	—	1	—	1
Foreign exchange translation reserve	—	—	—	—	9	9	—	9
Balance at 30 June 2013	2,841	11,325	713	(8,561)	26	6,344	402	6,746

Notes to the Interim Report

1 General information

Orogen Gold plc is a company incorporated and domiciled in England and Wales. Details of the registered office, the officers and advisers to the Company are presented on the Company information page at the end of this report. The Company's offices are in London and Dublin. The Company is quoted on the AIM market of the London Stock Exchange (ticker: ORE.L). The Company is focused on gold and minerals exploration in Europe. Exploration operations are based in Serbia (Deli Jovan project) and in Armenia (Mutsk project).

2 Basis of preparation

The financial information for the six months ended 30 June 2013 and 30 June 2012 is unaudited.

The Interim Report has been prepared using the same accounting policies as were applied in the Group's audited financial statements to 31 December 2012, which have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The Directors consider that the financial information presented in this Interim Report represents fairly the financial position, operations and cash flows for the period, in conformity with IFRS. The Interim Report for the six months ended 30 June 2013 was approved by the Directors on 24 September 2013.

The financial information presented for the period ended 31 December 2012 is an extraction from the Group's audited accounts on which the auditors issued an unqualified report, the information presented does not constitute full accounts for that period.

3 Loss per share

Basic loss per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period:

	Unaudited 30 June 2013 £'000	Unaudited 30 June 2012 £'000	Audited 31 December 2012 £'000
Loss after tax attributable to equity holders of the parent	(184)	(262)	(651)
Weighted average number of ordinary shares in issue ('000)	2,615,007	1,905,172	1,641,207
Basic and diluted loss per share (pence)	(0.01)	(0.01)	(0.03)

Basic and diluted earnings per share are the same, since where a loss is incurred the effect of outstanding share options and warrants is considered anti-dilutive and is ignored for the purpose of the loss per share calculation. The share options outstanding as at 30 June 2013 totalled 265,000,000 (30 June 2012: 245,000,000, 31 December 2012: 265,000,000) and are potentially dilutive.

Notes to the Interim Report

4 Exploration and evaluation assets

	Deli Jovan £'000	Mutsk £'000	Total £'000
Cost as at 1 January 2012	—	—	—
Acquisition of Deli Jovan Exploration d.o.o.	1,132	—	1,132
Additions	191	—	191
Transfers and other adjustments	3,120	—	3,120
Cost as at 30 June 2012	4,443	—	4,443
Cost as at 1 July 2012	4,443	—	4,443
Additions	543	—	543
Cost as at 31 December 2012	4,986	—	4,986
Cost as at 1 January 2013	4,986	—	4,986
Additions	141	151	292
Cost at 30 June 2013	5,127	151	5,278
Net book value as at 30 June 2012	4,443	—	4,443
Net book value as at 31 December 2012	4,986	—	4,986
Net book value as at 30 June 2013	5,127	151	5,278

Acquisition of Deli Jovan Exploration d.o.o

On 13 June 2012, the Group acquired 55% of the Serbian company Deli Jovan Exploration d.o.o. (the holding company of the Deli Jovan Exploration permit) following the completion of CAD1.5 million Phase 1 exploration financing of the Deli Jovan gold project. The remaining 45% of Deli Jovan Exploration d.o.o. is held by Reservoir Minerals Inc.. The main asset of Deli Jovan Exploration d.o.o. on the date of acquisition was the earn-in agreement on the Deli Jovan gold project. The transfers and other adjustments in the period to 30 June 2012 includes a £3,173,000 goodwill transfer to exploration and evaluation assets on completion of the first phase of the earn-in and the application of the 55% earn-in to the transfer of ownership of 55% of Deli Jovan Exploration d.o.o. to the Group.

5 Cash and cash equivalents

	Unaudited 30 June 2013 £'000	Unaudited 30 June 2012 £'000	Audited 31 December 2012 £'000
Cash at bank	1,553	1,502	1,621
Cash and cash equivalents	1,553	1,502	1,621

6 Share capital

	Ordinary shares of £0.001 each		Deferred shares of £0.009 each		Share premium £,000	Total consideration £,000
	Number	Nominal value £'000	Number	Nominal value £'000		
Authorised	5,000,000,000	5,000	73,599,817	662		
Allotted, called up and fully paid						
Balance at 1 January 2012 and 30 June 2012	1,905,172,453	1,905	73,599,817	662	10,239	12,806
Issue of new shares	270,000,000	274	—	—	1,161	1,435
Share issue costs	—	—	—	—	(75)	(75)
Balance at 31 December 2012 and 30 June 2013	2,175,172,453	2,179	73,599,817	662	11,325	14,166

Notes to the Interim Report

On 27 December 2012, 34,000,000 new ordinary shares of £0.001 each were issued at £0.006 per share by way of share placing. The cash consideration received by the Company was £192,000.

On 17 October 2012, 240,000,000 new ordinary shares of £0.001 each were issued at £0.005 per share by way of share placing. The cash consideration received by the Company was £1,137,000.

7 Subsequent events

On 30 August 2013, Orogen announced assay results for its first test diamond drilling programme at the Mutsk gold project in Armenia. In addition to the announcement of the results, Orogen confirmed that the Company had informed Georaid CJSC (Orogen's Armenian partners on the project) that Orogen will proceed to Phase 2 of the programme under which Orogen has an option to earn an 80 per cent interest in the Mutsk project by spending a total of US\$2.5 million by end August 2016.

8 Copy of the Interim Report

Copies of the Interim Report are available to download from the Company's website at www.oringold.com.

Company Information

Website: <http://www.rogengold.com>

Registered office	Finsgate 5-7 Cranwood Street London EC1V 9EE
Registered number	5379931, England and Wales
Dublin office	18 Fitzwilliam Place Dublin 2
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Directors	John Barry – Non-executive Chairman Edward Slowey – Chief Executive Alan Mooney – Finance Director Adam Reynolds – Non-executive Director Michael Nolan – Non-executive Director
Secretary	Alan Mooney
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Banker	Coutts & Co 440 Strand London EC3V 3ND
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Joint broker	Xcap Securities plc 24 Cornhill London EC3V 3ND
Registrars	Capita Registrars Limited The Registry, 34 Beckenham Road Beckenham Kent BR3 4TU
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