

Orsu Metals Corporation

Orsu Announces Positive Results of a Scoping Study for the Tadybulak Gold-Copper-Molybdenum Porphyry Deposit in Kyrgyzstan:

- **Average annual production of more than 240,000 oz gold, 26,000 t copper and 900 t molybdenum;**
- **US\$516 million initial CAPEX;**
- **US\$815 million pre-tax NPV_{7.5};**
- **24.7% pre-tax IRR (using US\$1,150/oz Au, US\$3.00/lb Cu, US\$15/lb Mo);**
- **17 years Life of Mine**
- **6 Years Payback from start of construction**

Orsu Metals Corporation ("Orsu", or the "Company") (TSX:OSU, AIM:OSU), the London-based precious and base metals exploration and development company, is pleased to announce the positive results of a scoping study for the Tadybulak Gold-Copper-Molybdenum Porphyry Deposit ("Taldybulak") at its Talas joint venture project in the Kyrgyz Republic (the "Taldybulak Scoping Study"). Gold Fields Limited ("Gold Fields"), through its subsidiary Gold Fields Orogen Holding BVI Limited, has a 60% interest in the Talas joint venture company (the indirect owner of the Taldybulak, Barkol, Kentash and Korgontash licenses in the Talas region of the Kyrgyz Republic (the "Talas Project")), whilst Orsu retains a 40% interest in the Talas Project. Gold Fields is the project manager.

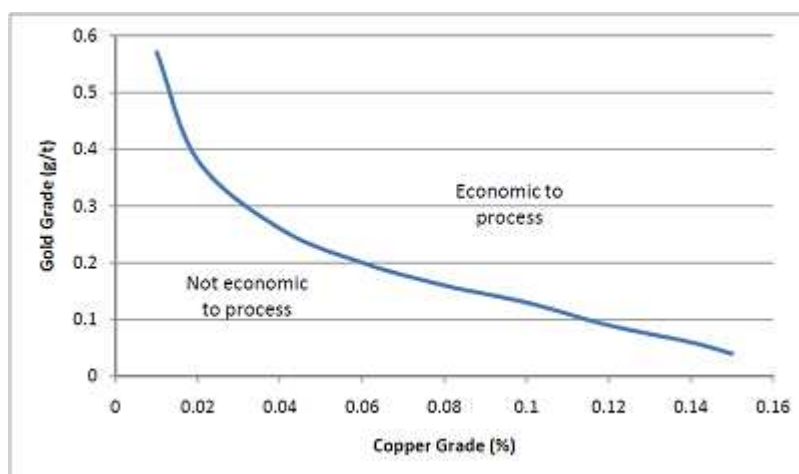
The Taldybulak Scoping Study establishes key design criteria for an open pit mine scenario with a 15 million tonnes per annum ("Mtpa") processing facility for average annual recovery of 242,000 oz gold and 137,600 dry metric tonnes ("dmt") of copper concentrate and 1,880 dmt of molybdenum concentrate via conventional comminution and flotation process flow sheets at estimated initial capital expenditures of approximately US\$516 million.

Taldybulak has been the primary focus of exploration and mineral resource development within the Talas Project licence area. The Talas Project is located 250 km west of the Kyrgyz capital of Bishkek and is accessible all year via paved road up to the last 20 km. The national electrical grid is close to the deposit and there is a 110kV sub-station 20km from the site. There is a potential water source for future operations from ground water aquifers and from the Karakol river. The average project elevation is approximately 2,000 m and the nearest village with a population of 3,500 people is 7 km away. The larger town of Talas with 30,000 people is approximately 50 km to the west. The nearest railhead is at Maimak on the Kazakhstan border, approximately 160 km away via paved road.

Coffey Mining Pty Ltd (Perth, Australia) ("Coffey Mining") completed the Taldybulak Scoping Study on behalf of the Talas joint venture, which formed a basis for a pit-constrained mineral resource update for the deposit. This was done according to the 2007 South African Code for the Reporting of Mineral Resources and Mineral Reserves (the "SAMREC Code Resource"). The SAMREC Code Resource contains 127 Mt in the indicated category, which is comprised of 2.6 Moz gold at 0.64 g/t, 477 Mlb copper at 0.17%, and 29.4 Mlb molybdenum at 0.01%, and 296 Mt in the inferred category, which is comprised of 3.71 Moz gold at 0.40 g/t, 1,098 Mlb copper at 0.17%, and 69.2 Mlb molybdenum at 0.01%. The mineral resource was calculated using metal prices of US\$1,150/oz Au, US\$3.00/lb Cu, US\$15/lb Mo ("Resource Price Case"), which was reported in the Company's press release dated September 27, 2010.

Preliminary metallurgical test work (as reported by Orsu in its press-release dated July 21, 2010) indicated that the recovery of gold, copper and molybdenum should be possible using a conventional comminution and flotation process. Based on metallurgical test work results, a conceptual process flow sheet has been developed consisting of crushing, grinding and bulk flotation to produce a gold-copper-molybdenum concentrate. The concentrate would then undergo a further flotation stage to produce both a copper-gold concentrate and a molybdenum concentrate. In this scenario some copper must be present in order to recover any other elements, therefore any Standard Mining Unit ("SMU") containing some gold but zero copper would not be profitable to treat. Due to the polymetallic nature of the Taldybulak ores, material that is profitable to treat is not simply based on a single element cut-off grade. Figure 1 shows which material is potentially economic at various copper and gold grades for a maximum cashflow scenario using the Resource Price Case, i.e., US\$1,150/oz gold, US\$3.00/lb copper, and US\$15/lb molybdenum metal prices. Due to the minor contribution from molybdenum, an average molybdenum grade of 0.011% molybdenum is assumed. The copper grade that is economic to treat excluding gold credits is approximately 0.16% Cu.

Figure 1. Taldybulak economic cutoff grades based on molybdenum grade of 0.011% and metal prices of US\$1,150/oz gold, US\$3.00/lb copper and US\$15.00 molybdenum.



In addition to production of copper and molybdenum concentrates, gravity gold recovery is 15%, which warrants a gravity separation circuit prior to bulk flotation for any coarse gold that may be present to produce Dore bars on site. Evaluation of the potential to treat oxide material from the deposit is being investigated, however at this time no value has been attributed to the oxides. Transition material has been incorporated into the mining schedule with reduced recoveries based on testwork conducted in 2008.

Both indicated and inferred mineral resources have been used for mining and processing optimisation in the Taldybulak Scoping Study; no mineral reserves have been estimated or reported for Taldybulak. An open pit mining scenario based on 20mEastx20mNorthx10m vertical SMU with a processing rate of 15 Mtpa of ore has been assumed.

Mining and processing parameters and long term commodity price assumptions (“Base Price Case”) were used to select a maximum discounted (7.5%) cash flow open pit shell. Key design criteria have been established for a 15 Mtpa processing plant facility (Table 1). The key design criteria assumptions and proposed metallurgical performance are generally based on the processing of sulphide ore, except where transition ore characteristics are known.

Table 1. Key Design Criteria Summary

Parameter	Unit	Criteria
Annual throughput	Mtpa	15.0
Crushing plant availability	%	70
Crushing plant operation	hrs/day and days/week	17 and 7
Processing plant availability	%	92
Processing plant operation	hrs/day and days/week	24 and 7
P80 grind size	µm	75
Ore feed grade	g/t Au	0.60
	% Cu	0.20
	% Mo	0.01
	% Au*	81.4
Metal recovery	% Cu	88.0
	% Mo	53.2
Gravity gold recovery	% Au	15
Annual concentrate production	dmt Cu concentrate	137,600
	dmt Mo concentrate	1,880
Annual gold production	oz Au	242,000
Table notes:		
* Inclusive of gravity gold recovery.		
This table represents design criteria for the process design work. Actual figures for metallurgical recovery will depend on head grade.		

Analysis of the topography demonstrated that there is enough space to build tailings storage facilities (“TSF”) in the immediate vicinity of Taldybulak. However, a detailed TSF engineering study has not been undertaken. Work to better define the TSF design is ongoing.

Although the actual pit-constrained mineral resource is 127Mt of ore in the indicated category and 296 Mt of ore in the inferred category using US\$1,150/oz, US\$3.00/lb Cu and US\$15/lb Mo, the Taldybulak Scoping Study is based on a re-modelling of the open pit using the Base Price Case of US\$1,000/oz Au, US\$2.49/lb Cu, and US\$15/lb Mo. The total combined resource used for the Taldybulak Scoping Study was 254 Mt of ore (indicated and inferred) using the Base Price Case.

Table 2 shows a price sensitivity analysis of four alternative metal price scenarios for open-pit mining at Taldybulak, using 254 Mt of ore in both indicated and inferred resource categories, optimised to an open pit defined by the Base Price Case. Consequently, the change in metal prices incorporated in the sensitivity to the cash flow does not fully reflect the impact the change in metal prices would have on the project as the optimised pit shell and cut-off grade were not adjusted. Preliminary indications are that the project economics would be enhanced with a larger pit and lower cut-off grade; however, this was a high-level evaluation and plant throughput, tailings storage, capital cost and unit operating costs were not optimised and updated to account for the increase in tonnage.

Table 2. Sensitivity Analysis Results

Parameter	Unit	Base Price Case	3-Year Average Price Case*	Resource Price Case	Spot Price Case*
Gold price	US\$/oz	1,000	976	1,150	1,319
Copper price	US\$/lb	2.49	2.92	3.00	3.67
Molybdenum price	US\$/lb	15.00	20.46	15.00	14.95
Average annual throughput	Mtpa	15	15	15	15
Waste : Ore Ratio		1.29	1.29	1.29	1.29
Gold grade	g/t Au	0.52	0.52	0.52	0.52
Gold metal recovered	Moz Au	3,401	3,401	3,401	3,401
Copper grade	%	0.18	0.18	0.18	0.18
Copper metal recovered	kt Cu	391	391	391	391
Molybdenum grade	%	0.011	0.011	0.011	0.011
Molybdenum metal recovered	kt Mo	13.9	13.9	13.9	13.9
Gold grade equivalent	g/t Au	0.95	1.05	0.94	0.95
Average annual production	koz Au	242	242	242	242
	kt Cu	26.2	26.2	26.2	26.2
	t Mo	900	900	900	900
	koz Au equivalent	353	389	356	361
LOM recoverable ounces	Moz Au equivalent	6.01	6.62	6.05	6.14
Average cash cost	US\$/oz Au equivalent	445	404	443	436
Total cash costs	US\$/oz Au equivalent	621	571	624	622
Initial Capex	US\$ M	516	516	516	516
Ongoing Capex	US\$ M	275.2	275.2	275.2	275.2
Years of production	Years	17	17	17	17
0% pre-tax NPV	US\$ M	1,257.7	1,647.8	2,125.8	3,181.1
7.5% pre-tax NPV (base case)	US\$ M	384.4	571.8	814.7	1,337.3
Pre-tax IRR	%	16.3	20.1	24.7	34.1
Payback period (from start of 2-year-long construction)	Years	9	8	6	5
Table notes:					
The cashflow model accounts for royalties, but does not account for taxes.					
Some figures may not sum exactly due to rounding.					
* 3 year average price and spot price from Bloomberg Data as of 1 st October 2010					
Gold equivalent is calculated for each case separately using commodity price weightings for gold, copper and molybdenum in this Table.					
'koz Au equivalent' = 'koz Au' + ('Copper price US\$/lb' * 'ktCu' * 2,200 + 'Molybdenum price US\$/lb' * 'tMo' * 2,200) / 'Gold price US\$/oz';					
'Moz Au equivalent' = 'Gold metal recovered Moz Au' + ('Copper price US\$/lb' * 'Copper metal recovered ktCu' * 2,200 + 'Molybdenum price US\$/lb' * 'Molybdenum metal recovered ktMo' * 2,200) / 'Gold price US\$/oz'					

The Taldybulak Scoping Study is a preliminary estimate of the technical and economic viability of Taldybulak and does not contemplate the full spectrum of engineering, economic and regulatory factors, which would be

required prior to making a production decision. Estimates provided in the Taldybulak Scoping Study are subject to change as additional work is completed on the project.

The Taldybulak Scoping Study is preliminary in nature, and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves. There is no certainty that the Taldybulak Scoping Study will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Dr Sergey V Kurzin, Executive Chairman of Orsu, commented: "We are very pleased with the positive results of the Taldybulak Scoping Study, with some parameters, such as electricity and concentrate transportation costs, estimated conservatively. Nevertheless, the IRR values are high for a porphyry-type deposit. The project has excellent infrastructure and is located in relatively gentle terrain, amenable to open pit mining with low stripping ratio. The Talas joint venture will continue to focus on the improvement of Taldybulak metal grades through the 5000 m closely-spaced infill drilling programme which is planned to start after the winter season. The joint venture will also continue the optimization of economic and processing parameters, particularly its oxide ores."

ENDS

Notes to editor:

1. Further information on the Talas Project contained in the Updated Technical Report on the Taldybulak Property Held by Orsu Metals Corporation, Kyrgyzstan March 2010 was filed under the Company profile on SEDAR (www.sedar.com).
 2. Mr Rodney Smith, BSc, MAusIMM, Principal Consultant – Metallurgy with Coffey Mining Pty Ltd (Perth, Australia) is the person responsible for the preparation of the report titled "Talas Scoping Study, Talas Taldybulak Project, Kyrgyzstan, 2010" based on which this press release was prepared.
 3. Alexander Yakubchuk, PhD, Director of Exploration and Chief Operating Officer for Orsu and a "qualified person" as such term is defined in National Instrument 43-101 and for the purposes of the AIM Guidance Note for Mining, Oil & Gas Companies, has prepared and reviewed the contents of this press release. Dr Yakubchuk has verified the data disclosed in this release, including sampling, analytical and test data underlying the information.
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FORWARD-LOOKING INFORMATION

This press release contains forward-looking information which is not comprised of historical facts. Forward-looking information involves risks, uncertainties and other factors that could cause actual events, results, performance and opportunities to differ materially from those expressed or implied by such forward-looking information. Forward-looking information contained (or referred to) in this press release includes, but may not be limited to: estimated average annual production of gold equivalent at Taldybulak; net present value, initial rate of return and expenditures relating to Taldybulak; the anticipated timing of capital payback; estimated tonnage and contained gold equivalents at Taldybulak; future activities and operations at Taldybulak; a potential water source at Taldybulak; future recoveries and related processes at Taldybulak; the future production of a gold-copper-molybdenum concentrate and the methods relating thereto; the future price of gold, copper and molybdenum; the economic potential and grades for gold and copper at Taldybulak; the potential to treat oxide material at Taldybulak; mineral resource estimates; the Company's ability to better define the TSF design; management's expectation that project economics will be enhanced at Taldybulak by using a larger pit and lower cut-off grade; the estimates contained in Table 1 above; the potential for improvement of the metal grades at Taldybulak; and the proposed continuation of optimization of economic and processing parameters at Taldybulak.

Factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to, risks normally incidental to exploration and development of mineral properties, uncertainties in the interpretation of drill and test results, the possibility that future exploration, development and/or mining results will not be consistent with expectations, uncertainty of mineral resources estimates, risks relating to the methodologies employed in the Taldybulak Scoping Study and that the completion of additional work on Taldybulak could result in changes to the estimates contained in the Taldybulak Scoping Study, the Company's inability to obtain, maintain, renew and/or extend required licences, permits, authorizations and/or approvals from the appropriate regulatory authorities, including (without limitation) extensions of the Taldybulak and Barkol licences after December 31, 2010, and other risks relating to the political, environmental, regulatory and/or legal framework in Kyrgyzstan, adverse changes in commodity prices or the Talas joint venture, as well as certain other risks set out in the Company's public documents, including its annual information form dated March 24, 2010, filed under the Company's profile on SEDAR at www.sedar.com.

The forward-looking information in this press release reflects the current expectations, assumptions and/or beliefs of the Company based on information currently available to the Company. In connection with the forward-looking information contained in this press release, the Company has made assumptions about: the Company's business, the economy and the mineral exploration industry in general; future capital expenditures and cost parameters, including the Resource Price Case, Base Price Case, Spot Price Case and 3-Year Average price Case; tonnage and contained gold equivalents at Taldybulak; the presence of copper at Taldybulak in order to recover other elements; future commodities' prices and that no material adverse changes occur relating thereto; average copper and molybdenum grades; indicated and inferred mineral resources at Taldybulak; anticipated mining methods and processing rates; cash flow discounts; the design criteria set out in Table 1 above; the Company's ability to enhance project economics at Taldybulak by using a larger pit and lower cut-off grade; the Company's ability to raise any required additional financing, as needed; the regulatory framework in Kyrgyzstan with respect to, among other things, the Company's ability to obtain, maintain, renew and/or extend required permits, licences, authorizations and/or approvals from the appropriate regulatory authorities, including the Company's



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ability to obtain extensions of the Taldybulak and Barkol licences after December 31, 2010; the political environment in Kyrgyzstan; and the Company's ability to continue to obtain qualified staff and equipment in a timely and cost-efficient manner to meet the Company's demand. The Company has also assumed that no unusual geological or technical problems occur, plant and equipment work as anticipated and no significant events occur outside of the Company's normal course of business. Although the Company believes that the assumptions inherent in the forward-looking information are reasonable, forward-looking information is not a guarantee of future performance and accordingly undue reliance should not be put on such information due to the inherent uncertainty therein.

The mineral resource figures contained and/or referred to in this press release are estimates only and no assurances can be given that the indicated levels of minerals will be produced. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. Valid estimates made at a given time may significantly change when new information becomes available. While the Company believes that the mineral resource estimates contained and referenced herein are well established, by their nature, mineral resource estimates are imprecise and depend, to a certain extent, upon statistical inferences which may ultimately prove unreliable. If such mineral resource estimates are inaccurate or are reduced in the future, this could have a material adverse impact on the Company. Due to the uncertainty that may be attached to inferred mineral resources, it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration.

Any forward-looking information speaks only as of the date on which it is made and, except as may be required by applicable securities laws, the Company disclaims any intent or obligation to update any forward-looking information, whether as a result of new information, future events or results or otherwise.

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