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**AIM: OSU**  
**TSX: OSU**  
**PRESS RELEASE**  
June 2, 2011

## **Orsu Metals Corporation**

### **Interim results for the period ended March 31, 2011 (Unaudited)**

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Orsu Metals Corporation ("Orsu" or the "Company" or the "Group"), the dual listed (TSX: OSU; AIM: OSU) London-based precious and base metals exploration and development company today reports its unaudited results for the period ended March 31, 2011.

A full Management's Discussion and Analysis of the results for the period ended March 31, 2011 ("MD&A") and Consolidated Financial Statements ("Financials") will soon be available on the Company's profile on SEDAR ([www.sedar.com](http://www.sedar.com)) or on the Company's website ([www.orsumetals.com](http://www.orsumetals.com)). Copies of the MD&A and Financials can be also be obtained upon request to the Company Secretary.

The Financials for the interim period ended March 31, 2011 have been prepared under in accordance with International Financial Reporting Standards ("IFRS") for the first time.

All amounts are reported in United States Dollars unless otherwise indicated. Canadian Dollars are referred to herein as CAD\$ and British Pounds Sterling are referred to as GBP£.

The following information has been extracted from the MD&A and the Financials. Reference should be made to the complete text of the MD&A and the Financials.

#### **BUSINESS REVIEW OF THE THREE MONTHS ENDED MARCH 31, 2011**

The for the three months ended March 31, 2011 the Company prepared consolidated financial statement in accordance with IFRS and reported net income of \$1.4 million. In accordance with IFRS the Company prepared consolidated balance sheets, statements of net income and comprehensive income and consolidated statements of changes in equity which reconcile the impact to the Company of the transition from Canadian GAAP to IFRS ( details can be found in the consolidated financial statements and MD&A as at March 31, 2011).

During the first quarter of 2011 the Company continued to focus on its principle exploration project, the Karchiga Project, and achieved key steps towards the completion of the Karchiga Definitive Feasibility Study with the announcement of results from its 2010 in-fill drilling programme, completion of hydrological and metallurgical test work. The results from the 2010 in-fill drilling programme enabled the Company to engage SRK to update the pit constrained mineral estimates for the Karchiga Project. In addition the Company announced that it had received permission to commence mineral extraction for copper at the Karchiga Project. The Company was also able to announce the completion in April of the remaining 26.1% of Eildon Enterprises Limited, which owns 94.75% of GRK MLD LLC ("GRK") the holder of the exploration license for the Karchiga Project.

Finally, the Company received \$1.5 million of deferred consideration relating to the Varvarinskoye Project.

#### **QUARTER HIGHLIGHTS**

- January 2011 – the Company confirmed that it had earned deferred consideration for 2010 relating to the Varvarinskoye Project of \$2.7 million and, of this amount, had received \$1.5 million, with the balance of \$1.2 million being rolled over and added (with interest accruing at a rate of 2.8% per annum) to any payment earned by the Company for 2011.
- February 2011 – the Company announced the assay results for its 2010 infill drilling programme in the North East lode at the Karchiga Project. Please see "Operational Review – Karchiga Copper Project, Kazakhstan" of the Company's MD&A.

#### **POST QUARTER HIGHLIGHTS**

- April 2011 – the Company announced that, pursuant to a sale and purchase agreement entered into on May 20, 2010 (the "Karchiga SPA"), it had increased its interest in the Karchiga Project to 94.75% by completing the acquisition of the remaining 26.1% interest in its indirect subsidiary, Eildon Enterprises Limited ("Eildon"), which owns 94.75 per cent of GRK MLD LLC ("GRK"), for cash consideration of \$6,187,500 (the "Karchiga Acquisition").
- April 2011 – the Company announced that it had received permission from the Ministry of Industry and New Technologies of the Republic of Kazakhstan ("MINT") to commence mineral extraction for copper at the Karchiga Project.

- April 2011 – the Company announced the results of final metallurgical test work, which was carried out by the Eastern Research Institute for Base Metals (“VNIITsvetMet”) based in Ust-Kamenogorsk, Kazakhstan, under the direction of SRK Consulting (UK) Limited (“SRK”) as part of the ongoing definitive feasibility study for the Karchiga Project (the “Karchiga Definitive Feasibility Study”). Please see “Operational Review – Karchiga Copper Project, Kazakhstan” of the Company’s MD&A for further information.
- May 2011 – the Company announced updated pit-constrained mineral resource estimates for its Karchiga Project, prepared by SRK as part of the ongoing Karchiga Definitive Feasibility Study. Please see “Operational Review – Karchiga Copper Project, Kazakhstan” of the Company’s MD&A for further information.

### **OPERATIONAL REVIEW**

The Company’s principal and most advanced exploration project is the property comprising a 47.3km<sup>2</sup> licence area in eastern Kazakhstan containing the Karchiga volcanogenic massive sulphide (“VMS”) deposit (the “Karchiga Project”), which is part of the Rudny Altai polymetallic belt. The Company’s other principal exploration asset is its property in northwest Kyrgyzstan, which is comprised of four licence areas within the Tien Shan gold belt of north western Kyrgyzstan: the Taldybulak, Barkol, Korgontash and Kentash licences (collectively, the “Talas Project”). Approximately 100km to the south west of the Talas Project is the Akdjol-Tokhtazan licence area comprising the Akdjol and Tokhtazan licences (the “Akdjol-Tokhtazan Project”).

### **KARCHIGA COPPER PROJECT, KAZAKHSTAN**

#### **Key achievements Q1 2011 and progress update for the Karchiga project**

During the three months to March 31, 2011 the Company completed the following key milestones

- In order to satisfy the requirements for the Karchiga Definitive Feasibility Study, during 2010 the Company undertook in-fill resource drilling (aiming to convert Inferred mineral resources into Indicated mineral resources in the North East lode of the Karchiga deposit), geotechnical drilling for an open pit design, metallurgical sample drilling and hydrological drilling for monitoring holes and pumping wells. The results of these drilling activities were received in the first quarter and are discussed in further detail below;
- Following the results of the in-fill drilling mentioned above the Company engaged SRK who prepared an updated pit-constrained mineral resource update using the results of the 2010 in-fill drilling programme and updated drill hole database.

#### **In-Fill resource drilling Test Work**

All assay results of the infill resource drilling programme were received by the Company by February 10, 2011.

The 2010 mineral resource estimate showed that the mineralization in the North East lode was located within three shallow-dipping zones of massive and disseminated sulphide bodies. The 2010 infill drilling programme, however, demonstrated that there is continuity between these lenses and in fact they form a single lode with two mineralized lenses, occurring stratigraphically one above another, with a strike length of approximately 1.0km.

#### **Hydrological Test Work**

The Company commenced the hydrological field tests in November 2010. The results of the tests will be used to determine open pit slope angles. Hydrological holes, drilled at various locations around the site, are being monitored and used to test water quality and ground water flow modeling. The first round of ground water sampling for the ESIA was carried out in December 2010.

#### **Metallurgical Test Work**

Metallurgical sample drilling has been completed and the core has been sampled. The metallurgical test work on both sulfide and oxide ore commenced in December 2010, including both Froth Flotation test work and Heap Leaching test work and, on April 28, 2011, the Company announced the results of the test work which was carried out by VNIITsvetMet under the direction of Orsu personnel and SRK.

##### **a) Froth Flotation Test Work**

A test work programme, staged in three phases, was performed on a composite sample of sulphide ores from both the Central and North East lodges, mixed in the proportion of 40% to 60%, respectively (the “Main Composite”).

The results from the locked cycle test performed on the Main Composite is given in the Table below, which compares the results from the locked cycle test performed by VNIITsvetMet in 2009 on a similar composite sample.

#### Locked cycle tests for Main Composite

Test Year	% Mass	% Cu Grade in Concentrate	% Zn Grade in Concentrate	% Cu Recovery	% Zn Recovery
2009	10.11	19.90	3.32	91.05	83.84
2011	8.86	27.90	5.00	95.76	81.54

The results shown in the table above shows a significantly improved copper recovery into concentrate from 91.05% to 95.76%, achieved during the Phase 3 test work programme. At the same time, the copper grade of the concentrate produced from the Main Composite has increased from 19.9% Cu to 27.9% Cu, whereas the overall mass recovery into the concentrate has been reduced from 10.11% to 8.86%, which will ultimately translate to reduced transportation costs.

The zinc recovery has been lowered from 83.84% to 81.54% while the zinc grade of the concentrate has increased, partly due to the higher zinc head grade, still remaining at an acceptable level of 5% Zn. The greater flotation selectivity, achieved in this round of test work, affords the opportunity to operate at a lower concentrate grade of, for instance, 25% Cu, which would result in an increase in the copper recovery and a decrease in the zinc grade in the concentrate. In addition, the gold grade in the Main Composite concentrate was 1.57 g/t Au, with 50.44% recovery.

The table below shows results from locked cycle tests performed on the Central and North East Composites from the Central and North East lodes, respectively, and the respective potential pits of the Karchiga deposit. The Central Composite is a blend of 15% massive and 85% disseminated ores, whereas the North East Composite is a blend of 25% massive and 75% disseminated ores.

#### Locked cycle test for the Central and North East Composites

Lode	% Mass of Ore	% Cu Grade in Concentrate	% Zn Grade in Concentrate	g/t Au in Concentrate	% Cu Recovery	% Zn Recovery	% Au Recovery
Central	10.34	24.15	1.28	0.34	96.20	73.97	28.18
North East	9.98	21.60	7.20	1.65	91.59	86.93	54.95

The results for the Central Composite are similar with those of the Main Composite in terms of copper and zinc grades. The gold grade in the Central Composite concentrate is 0.34 g/t Au.

In the North East Composite, however, the copper grade in concentrate is 21.6%, with a gold grade of 1.65 g/t Au. The level of zinc in the concentrate was higher than expected. Orsu believes that this result is related to a build up of frother in the locked cycle test, leading to poor selectivity between the copper and zinc sulphides, and may be simple to rectify. For instance, the ore from the Central pit may be processed alone in Year 1. A blend of ores from the Central and North East pits may then be processed during Years 2 to 6, and this may be followed by just over 4 years of further processing of ore from the North East pit only. Optimisation for mine planning and milling will be undertaken as part of the Karchiga Definitive Feasibility Study to determine the best way to blend and treat these ores.

Variability testing using the optimised flotation process has been performed on nine different samples from different locations in the deposit or their composite make up. The variability test results did not highlight any major behavioural deviation in metallurgical response from that of the standard composite in terms of recovery and grade.

#### b) Heap Leaching Test Work

The Central lode of the Karchiga deposit has an Indicated mineral resource of the oxide ore in the amount of 0.93Mt (at 0.5% Cu cut-off) grading 1.39% Cu and containing 12,868 t Cu (see technical report entitled "Updated Report on the Karchiga Property held by Orsu Metals Corporation, Kazakhstan" and dated March 22, 2010). Three acid leach columns were loaded with a blend of oxide and transitional secondary sulphide from the Central pit area and subsequently irrigated with a weak acid solution. Of the three columns, one, which contained added bacteria and which was aerated at the base, significantly outperformed the other two columns. This result was not unexpected and serves to demonstrate the efficiency of bacterial leaching for this type of ore. After 100 days, this column had achieved 68% Cu recovery, which corresponds very closely to 100% of the total material that was available in the sample for leaching.

Metallurgical Test Work Quality Assurance & Quality Control

The Quality Assurance (or “QA”) and Quality Control (or “QC”) carried out on the metallurgical test work was undertaken by the VNIITsvetMet Research Institute, which is part of the National Centre for the processing of minerals belonging to the MINT, and was under the direction of Orsu personnel and SRK. VNIITsvetMet is accredited for testing and calibration (Accreditation Certificate number RK ISO/IEC 17025-2007), holds a state licence for mining and production facilities design (Licence number 002268) and holds a state licence for services relating to environmental protection (Licence number 44763). The test work was supervised by Dr David Pattinson CEng., MIMM, BSc (an employee of SRK and independent of Orsu).

Both the QA and QC tests carried out on the ore samples provided by the Company were in accordance with the Quality Management System procedures as defined and required by the MINT. The QA and QC process involved taking an independent known ‘Standard’ sample and cross checking this against every 10 ore samples from the metallurgical tests provided by the Company. In addition, random ore samples provided by the Company were cross checked using three different techniques: atomic absorption; Induction Couple Plasma and classical chemical assay determination.

Updated Pit-Constrained Mineral Resource Estimates

The SRK 2011 Mineral Resource Estimates, prepared by SRK according to the Canadian Institute of Mining, Metallurgy and Petroleum Standards on Mineral Resources and Reserves, relate to the sulphide mineralisation in both the Central and North East lodes of the Karchiga deposit. SRK has interpreted and wireframed a series of narrow mineralised lenses with varying dips in both the Central and North East lodes using a nominal 0.1%Cu cut-off. SRK constrained the mineral resources to material with reasonable prospects for economic extraction in two optimised open pits and by applying a cut-off grade of 0.3% copper. The Indicated mineral resources are 7.1Mt of ore, grading 1.85% copper and containing 131,860t of copper metal, and the Inferred mineral resources are 1.2Mt of ore, grading 1.68% copper and containing 19,860t of copper metal. The following table shows the breakdown of the mineral resources for each lode and resource category.

**Pit-Constrained SRK 2011 Mineral Resource Estimates (Effective May 6, 2011)**

Indicated Mineral Resources									
Lode	Type	Cut-off Cu (%)	Tonnes (Mt)	Grade Cu (%)	Metal Cu (t)	Metal Cu (Mlb)	Grade Au (g/t)	Metal Au (t)	Metal Au (koz)
Central	Sulphide	0.3	4.4	1.92	84,590	186.48	0.08	0.36	11.73
North East	Sulphide	0.3	2.7	1.74	47,270	104.21	0.23	0.63	20.32
<b>Total</b>	<b>Sulphide</b>	<b>0.3</b>	<b>7.1</b>	<b>1.85</b>	<b>131,860</b>	<b>290.69</b>	<b>0.14</b>	<b>1.00</b>	<b>32.05</b>

  

Inferred Mineral Resources									
Lode	Type	Cut-off Cu (%)	Tonnes (Mt)	Grade Cu (%)	Metal Cu (t)	Metal Cu (Mlb)	Grade Au (g/t)	Metal Au (t)	Metal Au (koz)
North East	Sulphide	0.3	1.2	1.68	19,860	43.77	0.18	0.21	6.73

*\*Some figures may not sum exactly due to rounding.*

The reported mineral resources in the above table are relatively insensitive to moderate changes in the cut-off grade up to 0.5% copper cut-off. In addition, the deposit contains gold which is recoverable, based on the metallurgical studies conducted as part of the Karchiga Definitive Feasibility Study and reported by the Company above under “Metallurgical Test Work”.

The oxide mineral resource estimates in the Central lode remain unchanged from that which was previously reported by the Company in the Karchiga Technical Report (see technical report entitled “Updated Report on the Karchiga Property held by Orsu Metals Corporation, Kazakhstan” and dated March 22, 2010) (the “WAI 2010 Estimate”).

Whilst SRK used the same digital surface topography model and weathered horizon to distinguish the oxide from the sulphide as previously used for the WAI 2010 Estimate, the SRK 2011 Mineral Resource Estimates are also based on the recent in-fill drilling completed by Orsu in 2010 and an updated drill hole database, the integrity of which has been verified by Ms Tracey Laight from SRK. Assays for the 2010 in-fill drilling programme have been completed for Cu, Zn, Pb, and Au in the VNIITsvetMet laboratory, which is

independent from Orsu and SRK. Standard, blank, and duplicate samples were inserted after approximately every 20 ordinary core samples. The ordinary half core samples have been taken from visually mineralised intervals and 5 m of visually unmineralised material below and above the mineralized intervals. The remaining half core samples are stored at the Orsu facility in Ust-Kamenogorsk, Kazakhstan. The SRK 2011 Mineral Resource Estimates have been derived using all data available at the end of April 2011, which SRK has reviewed and which SRK is confident is sufficient in terms of both quantity and quality to support the SRK 2011 Mineral Resource Estimates.

Specific gravity measurements were carried out for the different material types collected from Karchiga diamond drill core and an in-situ bulk density value assigned to the block model based on the relationship between grade and bulk density below the weathered surface revealed by a regression analysis. Data from the Company's 2008 and 2010 drilling has enabled density regression plots to be established for the Central and North East lodes.

The table below shows the pit optimisation parameters that were used to define a pit outline which was then used to constrain the mineral resource to material with reasonable prospects for economic extraction. The slope angle parameters are the result of the geotechnical study undertaken by SRK. The Mining, Processing, and Operating Cost and the Net Smelter Return ("NSR") parameters have been taken from the Karchiga Scoping Study. A long term metal price of \$2.95/lb Cu was assumed by SRK, in contrast to \$3.00/lb Cu used in the Karchiga Scoping Study. Currently, no mineral reserve has been estimated as part of SRK's work, although a mineral reserve estimate is planned as part of the Karchiga Definitive Feasibility Study on the basis of the SRK 2011 Mineral Resource Estimates.

#### Pit Optimisation Parameters

Parameter	Value
<b>Overall slope angle</b>	
Central Pit:	
Hanging Wall	49°
Footwall	49°
North East Pit:	
Hanging Wall	51°
Footwall	47°
Northern Wall	47°
<b>Mining &amp; Processing</b>	
Mining Recovery	95.0%
Mining Dilution	5.0%
Cu Processing Recovery	90.00%
<b>Costs</b>	
Mining Cost	
Ore	\$1.80/t
Oxide	\$1.30/t
Waste	\$1.60/t
Processing Cost	\$9.00/t ore feed
General & Administrative Cost	\$5.00/t ore feed
Royalty	6% of ore feed
<b>Price</b>	
Cu Selling Price	\$6500/t product (\$2.95/lb)
NSR	83% of product

#### Comparison with Previous Pit-Constrained Estimates

The table below shows a comparison between the SRK 2011 Mineral Resource Estimates and previously reported mineral resource estimates in the Karchiga Scoping Study, both pit-constrained. The cut-off grade of 0.34% copper used in the mineral resource estimates in the Karchiga Scoping Study was back-calculated based on the economic parameters used in the Karchiga Scoping Study and shown in the table above. It should be noted that the SRK 2011 Mineral Resource Estimates are reported without dilution and loss, while the mineral resource estimates contained in the Karchiga Scoping Study were reported allowing for 5% mining loss and 5% mining dilution.

**Comparison of Pit-Constrained Mineral Resource Estimates for the Karchiga Project**

**Indicated Mineral Resources**

Estimate	Effective Date	Cut-off Cu (%)	Lode	Type	Tonnes (Mt)	Grade Cu (%)	Metal Cu (t)	Metal Cu (Mlb)
SRK 2011	May 6, 2011	0.34	Central & North East	Sulphide	7.1	1.85	131,789	290.5
Micon 2010	May 25, 2010	0.34	Central & North East	Sulphide	6.5	1.97	127,804	281.7

**Inferred Mineral Resources**

Estimate	Effective Date	Cut-off Cu (%)	Lode	Type	Tonnes (Mt)	Grade Cu (%)	Metal Cu (t)	Metal Cu (Mlb)
SRK 2011	May 6, 2011	0.34	North East	Sulphide	1.2	1.68	19,849	43.8
Micon 2010	May 25, 2010	0.34	North East	Sulphide	1.1	1.71	18,810	41.5

*\* Some figures may not sum exactly due to rounding. Mineral resources that are not mineral reserves have not demonstrated economic viability. The figures for the Karchiga Scoping Study are extracted as quoted in the Orsu's press release dated May 25, 2010.*

Other

Two key issues to be investigated by SRK as part of the Karchiga Definitive Feasibility Study will be the use of high quality Chinese equipment in order to minimise the project capital costs and potential off-takers for the copper concentrate in both the People's Republic of China and the Republic of Kazakhstan. The Karchiga Project is favourably located approximately 220 km south east of the regional centre, Ust-Kamenogorsk, where Glencore International AG has commissioned its new smelter and approximately 40 km from the Chinese border to the east. The nearest copper mining operation in China at the Ashele VMS deposit, containing 1Mt of copper, is located approximately 85 km east-southeast from the Karchiga deposit.

The milestones for the Karchiga Definitive Feasibility Study are expected to be:

- Q2 2011 – finalisation of the metallurgical flow sheet (completed);
- Q2 2011 – updated NI 43-101 mineral resource, incorporating 2010 drilling results (completed);
- Q2 2011 – start of detailed mine design;
- Q3 2011 – completion of the locally commissioned Kazakh Feasibility Study and submission for approval;
- Q4 2011 – review of the Karchiga Project financing options;
- October 2011 – completion of the Karchiga Definitive Feasibility Study;
- Q1 2012 – approval of the Kazakh Feasibility Study;
- Q1 2012 – start of construction.

**TALAS COPPER-GOLD-MOLYBDENUM PROJECT, KYRGYZSTAN**

**Exploration Programme**

Pursuant to the joint venture agreement dated December 3, 2008, as amended on August 14, 2009, between the Company, Gold Fields Orogen Holding BVI ("Gold Fields"), Lero, Kami Associates Limited (the "JV Company") and Talas Copper Gold LLC ("TCG") (the "JV Agreement"), Gold Fields is the project operator for the Talas Project. Pursuant to the JV Agreement Gold Fields has a 60% interest in the Talas Project and is the project operator and the Company retains a 40% in the Talas Project.

In January 2011 the Kyrgyz Government reviewed all exploration licences in the country to improve transparency and accountability in natural resource exploration, which led to a temporary suspension of all exploration activities in the country. The Ministry of Natural Resources reviewed the Talas Project on 24 April 2011 and recognised that it had fully complied with all licence requirements. It also approved a request from TCG for a three month suspension of the 2011 exploration requirements to allow TCG time to win support from the local communities for the Talas Joint Venture's long term exploration goals.

In May 2011, Gold Fields and Orsu completed an internal geological and technical review of the Talas Project, which identified and prioritized several new exploration targets in the immediate vicinity of the deposit (falling within a three kilometre radius as well as at deeper levels of the deposit itself) which, when explored. The testing of these targets could potentially further enlarge the mineral endowment of the



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Taldybulak mineral resources and could see further improvements in metal grades via in-fill drilling of the existing resources at the Taldybulak deposit.

For 2011, Gold Fields, the operator for the Talas Project, is planning an infill drilling in the western area of the Taldybulak deposit with 6,000m of HQ size diamond drilling. Upon completion of the 6,000m drilling programme, the Company expects to update the mineral resource estimates for Taldybulak. These works are expected to form a foundation for the decision to proceed with the prefeasibility study for the Taldybulak deposit.

#### **AKDJOL-TOKHTAZAN PROJECT, KYRGYZSTAN**

##### **Licence Information**

The Akdjol-Tokhtazan Project contains the Akdjol (108km<sup>2</sup>) and Tokhtazan (4km<sup>2</sup>) exploration licences, located in the Jebel-Abad Oblast, western Kyrgyzstan, both of which are held by Oriol in Kyrgyzstan LLC in which the Company holds a 100% interest.

##### **Progress update of the Akdol-Tokhtazan Project**

The Company is currently formulating its 2011 exploration programme for the Akdjol-Tokhtazan Project, but it is expected that the analysis of the results from the 2010 drilling programme and their integration with the results of the geophysical survey will form the basis for the 2011 exploration programme.



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## **FINANCIAL RESULTS FOR THE THREE MONTHS ENDED MARCH 31, 2011**

For the three months ended March 31, 2011, prepared in accordance with IFRS, the Company recorded net income of \$1.4 million.

As at March 31, 2011 the Company had net assets of \$41.9 million (\$40.4 million as at December 31, 2010) of which \$19.4 million was cash and cash equivalents (\$19.6 million as at December 31, 2010).

The net income of \$1.4 million consisted of unrealized derivative gains of \$3.3 million and net foreign exchange gains of \$0.1 million, partially offset by administrative costs of \$0.8 million, legal and professional expenses of \$0.3 million, exploration costs of \$0.5 million, a stock-based compensation charge of \$0.1 million and the Company's share of the Talas Joint Venture losses of \$0.3 million.

For the three months to March 31, 2011 the company re-measured the fair value of 56 million warrants with a remaining expected life of greater than one year and recorded an unrealised gain of \$3.3 million (see "Derivative warrant liabilities" note below).

The Company's administrative costs and legal and professional expenses of \$0.8 million were broadly in line year on year.

Exploration costs of \$0.5 million was due mainly to the continued funding of work relating to the Karchiga Definitive Feasibility Study expected to be completed in October 2011.

For the three months ended March 31, 2011 the Company expensed \$0.3 million relating to its 40% pro-rata share of the Talas Joint Venture operating.

As at March 31, 2011, the Company's cash and cash equivalents were \$19.4 million compared to \$19.6 million as at December 31, 2010. The decrease of \$0.2 million for the three months to March 31, 2011 was due primarily to exploration expenditure of \$0.5 million, corporate expenditure of \$1.3 million and Orsu's pro-rata funding for the Talas Project of \$0.2 million, partially offset by deferred consideration received of \$1.5 million and royalty income in respect of the Company's investment in the Tasbulat Oil Corporation of \$0.3 million.

## **CONVERSION TO IFRS FROM CANADIAN GAAP**

Effective January 1, 2011, the Canadian Accounting Standards Board required all publicly listed companies to prepare their financial statements in accordance with IFRS. The financial statements for the period ended March 31, 2011 are the first set of financial statements the Company has prepared under IFRS. As part of the transition to IFRS the Company also prepared re-stated consolidated balance sheets as at January 1, 2010, March 31, 2010 and December 31, 2010 along with re-stated consolidated statements of net income and comprehensive income for the three months ended March 31, 2010 and the year ended December 31, 2010.

During 2010 the Company implemented a plan for the conversion from Canadian GAAP to IFRS and has now completed the scoping and planning, detailed assessment and operations implementation phases. The post implementation review phase is ongoing.

The Company's financial statements as at March 31, 2011 set out in detail how the transition from Canadian GAAP to IFRS has affected its consolidated balance sheet, statement of net income and comprehensive income, consolidated statement of changes in equity and consolidated cash flows.

### Impact on the consolidated balance sheet and equity

The following table summarises the impact of conversion to IFRS on the Company's consolidated equity, as previously reported under Canadian GAAP for the three months ended March 31, 2010 and the year ended December 31, 2010:

	<b>March 31 2010 \$000</b>	<b>December 31 2010 \$000</b>
Equity as previously reported under Canadian GAAP as at January 1, 2010	24,833	24,833
Reclassification of share purchase warrants to derivative liabilities (note a)	(42,041)	(42,041)
Expense of share issue costs prior to January 1, 2009 (note b)	(4,598)	(4,598)
Re-measurement of fair value of derivative warrant liabilities (note c)	35,411	35,411
<b>Re-stated Equity under IFRS as a January 1, 2010</b>	<b>13,605</b>	<b>13,605</b>
Share issue (net of share issue and broker warrant issue costs)	-	18,705
Share purchase warrants issued	-	1,131
Share based payments	105	1,817
Net loss as previously reported under Canadian GAAP for the period	(1,611)	(4,622)
Re-measurement of fair value of derivative warrant liabilities in period (note c)	10,216	11,184
Expense of share issue costs from 2010 (note d)	-	(793)
Reversal of future income tax adjustments (note e)	-	(639)
<b>Equity under IFRS</b>	<b>22,315</b>	<b>40,388</b>

### Impact of significant accounting policy changes on transition to IFRS

a) The Company has listed share purchase warrants outstanding that are exercisable in Canadian dollars. As the functional reporting currency of the Company is United States dollars, share purchase warrants with an exercise price in a different currency are considered a derivative instrument under IFRS (IAS 32). Previously under Canadian GAAP all share purchase warrants, net of issue costs, were considered to be equity instruments. On transition from Canadian GAAP to IFRS the Company re-classified \$42 million, net of issue costs of \$4.6 million, from equity to derivative liabilities as at January 1, 2010;

b) During 2005 and 2006 the Company incurred warrant issue costs in relation to public offerings for units in the Company totalling \$4.6 million. Under Canadian GAAP these issues costs were capitalised to equity. Following the above mentioned re-classification of share purchase warrants from equity to derivative liabilities under IFRS these issues costs are required to be expensed and hence the Company has recorded an adjustment to retained earnings of \$4.6 million as at January 1, 2010;

c) Following the re-classification of share purchase warrants to derivative liabilities as at January 1, 2010 (as mentioned in note a) above, under IFRS the Company is required to re-measure the fair value of these as at each reporting date and any adjustments recorded against retained earnings. As a result the Company recorded an adjustment of \$35.4 million to retained earnings as at January 1, 2010. In subsequent comparative periods the Company re-measured the fair value of its derivative warrant liabilities outstanding as at March 31, 2010 and as at December 31, 2010 and recorded adjustments of \$10.2 million and \$11.2 million respectively;

d) In April 2010, the Company completed the "Offering" pursuant to which it issued 56 million share purchase warrants and incurred associated issue costs of \$0.7 million which, under Canadian GAAP, had been capitalised. Under IFRS these issue costs are required to be expensed and the Company recorded an adjustment of \$0.7 million against retained earnings as at December 31, 2010;

e) Under Canadian GAAP the Company re-measured the deferred tax liabilities on its mineral properties for changes in exchange rate and recorded a foreign exchange gain of \$0.6 million for the year ended December 31, 2010. Under IFRS, IAS 12 prohibits the recognition of any deferred tax for the acquisition of assets that do not constitute a business combination. Accordingly, on transition to IFRS, the Company reversed this adjustment between net income and deferred tax liabilities on the balance sheet as at December 31, 2010.



### Impact on consolidated statement of net income and comprehensive income

As a result of the IFRS policies mentioned above, impacted the net operating results of the company for the following periods:

- For the three months to March 31, 2010 the Company had previously under Canadian GAAP reported a net loss of \$1.6 million. Under IFRS the Company has now reported net income for the three months to March 31, 2010 of \$8.6 million;
- For the year ended December 31, 2010 the Company had previously under Canadian GAAP reported a net loss of \$4.6 million. Under IFRS the Company has now reported net income for the year ended December 31, 2010 of \$5.1 million.

Further details of the above changes can be found in the Company's financial statements section "5. Transition of IFRS".

### FINANCIAL POSITION AS AT MARCH 31, 2011 AND DECEMBER 31, 2010

As at March 31, 2011, the Company's net assets were \$41.9 million, compared with \$40.4 million as at December 31, 2010. The increase of \$1.5 million was due to a \$3.3 million decrease in derivative warrant liabilities partially offset by funding of the Company's 40% interest in the Talas Joint Venture of \$0.2 million and corporate and exploration expenditure of \$1.6 million.

A summary of the carrying value of the Company's equity investment in the Talas Joint Venture as at March 31, 2011 is set out below:

	<b>\$000s</b>
Fair value of equity investment as at January 1, 2011	10,221
Funding provided by the Company during the three months ended March 31, 2011	200
Less: Company's 40% share of operating losses for the three months ended March 31, 2011	(310)
Fair value of equity investment as at March 31, 2011	<u>10,111</u>

### LIQUIDITY AND CAPITAL RESOURCES

As at March 31, 2011 the Company's main source of liquidity was unrestricted cash of \$19.4 million, compared with \$19.6 million as at December 31, 2010.

The Company's working capital needs include the maintenance of the Company's interests in, and the further exploration and the development of, the Company's mineral properties in Kazakhstan and Kyrgyzstan (minimum license expenditure obligations of approximately \$1.7 million for 2011), the completion of the Karchiga Definitive Feasibility Study (budgeted expenditures of approximately \$2.5 million for 2011), the completion of the Karchiga Acquisition (cash purchase price of approximately \$6.2 million completed on April 12, 2011), the funding of general corporate expenses (budgeted expenditures of approximately \$4.6 million for 2011) and the contribution towards the pursuit of future growth opportunities (which may include acquiring one or more additional assets), if and when such opportunities arise.

The future advancement, exploration and development of the Company's properties, including continuing exploration and development projects, and the construction of mining facilities and commencement of mining operations, if any, will require substantial additional financing in the future. To the extent that such funding is required in the future, the Company expects that it would try to raise such funding through equity financing if and when required. Whilst the Company has been successful in raising equity financing in the past, the Company's ability to raise additional equity financing may be affected by numerous factors beyond the Company's control, including, but not limited to, adverse market conditions and/or commodity price changes and economic downturn and those other factors that are listed under "Risks and Uncertainties" on the Company's MD&A.

### DERIVATIVE FINANCIAL INSTRUMENTS

The Company's derivative instruments consist of derivative assets in the form of deferred consideration relating to the sale of the Varvarinskoye Project, discontinued operations, and derivative warrant liabilities in relation to its share purchase warrants.

#### Deferred consideration

In relation to the Company's discontinued operations, the Company has the ability to earn deferred consideration, the fair value of which is partly dependent on future copper and gold metal prices and, for this reason, is classified as a derivative instrument and has been disclosed as a "deferred consideration



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receivable" asset and "deferred consideration income" in the Company's financial statements for the three months ended March 31, 2011 and the year ended December 31, 2010.

The Company has recognized a deferred consideration receivable asset of \$5.1 million in its financial statements for the year ended December 31, 2010, representing the net present value of the Company's estimated future deferred consideration earnings, based upon the Company's forecast of future gold and copper metal prices and adjusted for counterparty credit risk (see above for further information).

The net present value of the estimated future deferred consideration earnings which the Company recognised as at December 31, 2010 represents the maximum the Company may earn for deferred consideration after taking into account the limit of \$1.5 million it may receive for any one year and accruing interest on any amounts carried forward as mentioned. For this reason, the Company has not recorded any deferred income for the three months to March 31, 2011.

A description of the risks associated with this financial instrument is contained in the 'Risks and Uncertainties' section of the Company's MD&A under the heading of "Risks and Uncertainties Relating to the Varvarinskoye Deferred Consideration Receivable (Derivative Financial Instrument)".

#### **Derivative warrant liabilities**

In prior years the Company has issued listed share purchase warrants in conjunction with public offerings for the purchase of common shares of the Company. These share purchase warrants were issued with an exercise price in Canadian dollars, rather than U.S. dollars (the reporting and Functional Currency (as defined in "Critical accounting policies and estimates" in the Company's MD&A) of the Company), were only issued to participants in these public share offering, are not able to be tracked by the Company and are transferable by the warranty holder. Such share purchase warrants are considered to be derivative instruments and the Company is required to re-measure the fair value of these at the reporting date. The fair value of these listed share purchase warrants are re-measured at each balance sheet date using the Black Scholes model using the exchange rates at the balance sheet date and measured over their remaining life. Adjustments to the fair value of the Share purchase warrants as at the balance sheet date are recorded to the income statement. Share purchase warrants that have expired or have been forfeited are adjusted to the net income statement. As at March 31, 2011 the Company calculated a fair value for its warrant derivative liabilities of \$2.9 million, compared to \$6.2 million as at December 31, 2010 and recorded the adjustment of \$3.3 million to net income.



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## **Consolidated Statements of Net Income, and Comprehensive Income (Unaudited)**

(Prepared in accordance with IFRS)

	Three months ended March 31,	
	2011	2010
	\$000	\$000
<b>Income/ (expenses)</b>		
Administration	(770)	(717)
Legal and professional	(291)	(324)
Exploration	(539)	(199)
Stock based compensation	(142)	(105)
Stock based compensation - non employees	(20)	-
Unrealized derivative gains	3,346	10,216
Foreign exchange gains/ (losses)	97	(55)
<b>Net income from operations</b>	<b>1,681</b>	<b>8,816</b>
Company's share of Talas Joint Venture losses	(310)	(214)
Finance income	17	11
Finance expense	-	(8)
<b>Net income and comprehensive income for the period</b>	<b>1,388</b>	<b>8,605</b>
<b>Net income/ (losses) attributable to:</b>		
Shareholders of the Company	2,353	8,652
Non-controlling interest	(965)	(47)
	<b>1,388</b>	<b>8,605</b>
<b>Earnings per share</b>		
Basic	\$0.01	\$0.19
Diluted	\$0.01	\$0.19
<b>Weighted average number of common shares</b>	<b>157,696</b>	<b>45,696</b>

**Consolidated Balance Sheets (Unaudited)**  
 (Prepared in accordance with IFRS)

	March 31 2011 \$000	December 31 2010 \$000	January 1 2010 \$000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	19,368	19,596	3,386
Current deferred consideration receivable	1,500	1,500	-
Prepaid and receivables	1,234	1,217	1,860
	<u>22,102</u>	<u>22,313</u>	<u>5,246</u>
<b>Non-current assets</b>			
Deferred consideration receivable	2,092	3,592	-
Exploration properties	10,458	10,458	20,321
Property, plant and equipment	415	449	1,078
Equity investment in Talas Joint Venture	10,111	10,221	-
Other assets	392	392	643
	<u>23,468</u>	<u>25,112</u>	<u>22,042</u>
<b>Total assets</b>	<u>45,570</u>	<u>47,425</u>	<u>27,288</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	613	672	1,941
Current portion of derivative warrant liabilities	-	-	2,676
	<u>613</u>	<u>672</u>	<u>4,617</u>
<b>Non-current liabilities</b>			
Derivative warrant liabilities	2,899	6,245	8,552
Other liabilities	120	120	514
	<u>3,632</u>	<u>7,037</u>	<u>13,683</u>
<b>Equity</b>			
Share capital	380,145	380,145	361,440
Share purchase warrants	4,897	4,897	6,609
Share purchase options	6,066	5,904	12,550
Contributed surplus	22,483	22,483	11,177
Non-controlling interest	(966)	(773)	-
Deficit	(370,687)	(372,268)	(378,171)
	<u>41,938</u>	<u>40,388</u>	<u>13,605</u>
<b>Total equity and liabilities</b>	<u>45,570</u>	<u>47,425</u>	<u>27,288</u>

**Consolidated Statements of Cash Flows (Unaudited)**  
(Prepared in accordance with IFRS)

	Three months ended March 31,	
	2011	2010
	\$000	\$000
<b>Operating activities</b>		
Income for the period	1,388	8,605
Items not affecting cash:		
Company share of Talas Joint Venture losses	310	214
Depreciation and amortization	33	39
Share-based payments	162	105
Unrealized foreign exchange losses	74	46
Unrealized derivative gains	(3,346)	(10,216)
	(1,379)	(1,207)
Changes in non-cash working capital		
Accounts receivable and other assets	(251)	(1,114)
Accounts payable and accrued liabilities	(52)	746
<b>Net cash used by the operating activities</b>	(1,682)	(1,575)
<b>Cash flows from investing activities</b>		
Expenditures on property, plant and equipment	(2)	(2)
Proceeds from net investment in residual oil and gas interests	251	241
Deferred consideration received	1,500	-
Funding of investment in Talas Joint Venture	(200)	-
<b>Net cash from investing activities</b>	1,549	239
<b>Effect of exchange rate changes on cash and cash equivalents</b>	(95)	7
<b>Net decrease in cash and cash equivalents</b>	(228)	(1,329)
<b>Cash and cash equivalents - Beginning of period</b>	19,596	3,386
<b>Cash and cash equivalents - End of period</b>	<b>19,368</b>	<b>2,057</b>



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**Consolidated Statements of changes in Equity (Unaudited)**  
(Prepared in accordance with IFRS)

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Consolidated statement of changes to equity as at March 31, 2010:

	<b>Share capital</b>				<b>Contributed surplus</b>	<b>Non-controlling interest</b>	<b>Deficit</b>	<b>Total equity</b>
	<b>Number of shares (000s')</b>	<b>Share capital \$000</b>	<b>Share purchase warrants \$000</b>	<b>Share purchase options \$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>	<b>\$000</b>
<b>Balance as at January 1, 2010</b>	45,696	361,440	6,609	12,550	11,177	-	(378,171)	13,605
Share-based payments	-	-	-	105	-	-	-	105
Share options forfeited or lapsed	-	-	-	(2,170)	2,170	-	-	-
Net income/ (loss) for the period	-	-	-	-	-	(47)	8,652	8,605
<b>Balance as at March 31, 2010</b>	45,696	361,440	6,609	10,485	13,347	(47)	(369,519)	22,315



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**Consolidated Statements of changes in Equity (Unaudited)**  
 (Prepared in accordance with IFRS)

Consolidated statements of changes to equity as at December 31, 2010 and March 31, 2011:

	Share capital				Contributed surplus \$000	Non-controlling interest \$000	Deficit \$000	Total equity \$000
	Number of shares (000s')	Share capital \$000	Share purchase warrants \$000	Share purchase options \$000				
Balance as at January 1, 2010	45,696	361,440	6,609	12,550	11,177	-	(378,171)	13,605
Share issue	112,000	21,445	-	-	-	-	-	21,445
Share issue costs	-	(1,862)	-	-	-	-	-	(1,862)
Broker Warrant issue costs	-	(878)	-	-	-	-	-	(878)
Share-based payments	-	-	-	1,817	-	-	-	1,817
Share purchase warrants issued	-	-	1,131	-	-	-	-	1,131
Share purchase warrants lapsed	-	-	(2,843)	-	2,843	-	-	-
Share options forfeited or lapsed	-	-	-	(8,463)	8,463	-	-	-
Net income/ (loss) for the period	-	-	-	-	-	(773)	5,903	5,130
<b>Balance as at December 31, 2010</b>	<b>157,696</b>	<b>380,145</b>	<b>4,897</b>	<b>5,904</b>	<b>22,483</b>	<b>(773)</b>	<b>(372,268)</b>	<b>40,388</b>
Share-based payments	-	-	-	162	-	-	-	162
Net income/ (loss) for the period	-	-	-	-	-	(193)	1,581	1,388
<b>Balance as at March 31, 2011</b>	<b>157,696</b>	<b>380,145</b>	<b>4,897</b>	<b>6,066</b>	<b>22,483</b>	<b>(966)</b>	<b>(370,687)</b>	<b>41,938</b>



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## **FORWARD-LOOKING INFORMATION**

This press release contains or refers to forward-looking information. All information, other than information regarding historical fact that addresses activities, events or developments that the Company believes, expects or anticipates will or may occur in the future is forward-looking information. Such forward-looking information includes, without limitation, statements relating to: the continued and future maintenance, exploration and development of the Company's properties, including the proposed work programs, anticipated milestones and the timing related thereto; development and operational plans and objectives; the Company's ability to satisfy its future expenditure obligations on mineral properties in which it has an interest; mineral resource estimates and updates relating thereto; estimated project economics, cash flow, costs, expenditures, and sources of funding; the sufficiency of the Company's current working capital for the next twelve months and estimates relating thereto; the estimated LOM, NPV and IRR for, and forecasts relating to tonnages and amounts to be mined from, and average recoveries and grades at, the Karchiga Project and/or Taldybulak as well as the other forecasts, estimates and expectations relating to the Karchiga Scoping Study, the SRK 2011 Mineral Resource Estimates, the NI 43-101 Taldybulak Scoping Study Report and the Taldybulak Scoping Study set out in the "Operational Review" of the Company's MD&A; future prices and trends relating to copper, gold and molybdenum; the completion of the Karchiga Definitive Feasibility Study and the potential start of construction at the Karchiga Project (including the expected timing for same); the anticipated completion of a mineral reserves estimate for, the production of marketable concentrates from, and a reduction in future transportation costs at, the Karchiga Project; the potential for further enlarging the mineral endowment and improving metal grades at, and completion of a pre-feasibility study for, the Taldybulak deposit; the Company's belief that the results from the mineralogical study relating to the Akdjol-Tokhtazan Project suggest that gold should be metallurgically accessible; the future political and legal regimes and regulatory environments relating to the mining industry in Kyrgyzstan and/ or Kazakhstan; the expected use of the net proceeds from the Offering; the Company's expectations and beliefs with respect to the waiver of the State's pre-emptive right with respect to the Karchiga Project and the past placements of the Common Shares being covered thereby; the Company's beliefs with respect to the amount and receipt of deferred consideration that may be payable to the Company by Polymetal in connection with the sale of Varvarinskoye; the significance of any individual claims by non-Ontario residents with respect to the Claim; and the Company's future growth (including new opportunities and acquisitions) and its ability to raise new funding.

The forward-looking information in this press release reflects the current expectations, assumptions or beliefs of the Company based on information currently available to the Company. With respect to forward-looking information contained in this press release, the Company has made assumptions regarding, among other things, the Company's ability to generate sufficient funds from capital markets to meet its future expected obligations and planned activities, the Company's business (including the continued exploration and development of its properties and the methods to be employed with respect to same), the estimation of mineral resources (as set out in the "Operational Review" section of the Company's MD&A), the parameters and assumptions employed in the Karchiga Scoping Study, the SRK 2011 Mineral Resource Estimates, the NI 43-101 Taldybulak Scoping Study Report and the Taldybulak Scoping Study, the economy and the mineral exploration industry in general, the political environments and the regulatory frameworks in Kazakhstan and Kyrgyzstan with respect to, among other things, the mining industry generally, royalties/MPTs, taxes, environmental matters and the Company's ability to obtain, maintain, renew and/or extend required permits, licences, authorisations and/or approvals from the appropriate regulatory authorities, that the waiver granted by the Competent Authority covers any pre-emptive right that the Competent Authority or State has in respect of any past placements, future capital costs and cash flow discounts, anticipated mining and processing rates, the treatment of oxide materials as waste with respect to the Karchiga Project, the Company's ability to continue to obtain qualified staff and equipment in a timely and cost-efficient manner and to engage international and Kazakh companies to carry out additional studies for the Karchiga Definitive Feasibility Study and to obtain Kazakh Feasibility Study approval, the treatment of the Varvarinskoye Project as discontinued operations, assumptions relating to the Company's critical accounting policies, that the Company has identified all of the key issues to be investigated in connection with the Karchiga Definitive Feasibility Study, and has also assumed that no unusual geological or technical problems occur, and that equipment works as anticipated, no material adverse change in the price of copper, gold or molybdenum occurs and no significant events occur outside of the Company's normal course of business.

Forward-looking information is subject to a number of risks and uncertainties that may cause the actual results of the Company to differ materially from those discussed in the forward-looking information, and even if such actual results are realised or substantially realised, there can be no assurance that they will have the expected consequences to, or effects on, the Company. Factors that could cause actual results or events to differ materially from current expectations include, but are not limited to: risks normally incidental to exploration and development of mineral properties; uncertainties in the interpretation of results from drilling and metallurgical test work; the possibility that future exploration, development or mining results will not be consistent with expectations; uncertainty of mineral resources estimates; uncertainty of capital and operating costs, production and economic returns; uncertainties relating to the estimates and assumptions used, and risks in the methodologies employed, in the Karchiga Scoping Study, the SRK 2011 Mineral Resource



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Estimates, the NI 43-101 Taldybulak Scoping Study Report and/or the Taldybulak Scoping Study and that the completion of additional work on the Karchiga Project and/or Taldybulak, as the case may be, could result in changes to the estimates relating to the Karchiga Scoping Study, the SRK 2011 Mineral Resource Estimates, the NI 43-101 Taldybulak Scoping Study Report and/or the Taldybulak Scoping Study, as applicable; a delay in the completion of the Karchiga Definitive Feasibility Study; the Company's inability to obtain, maintain, renew and/or extend required licences, permits, authorizations and/or approvals from the appropriate regulatory authorities and other risks relating to the regulatory frameworks in Kazakhstan and Kyrgyzstan; adverse changes in the political environments in Kazakhstan and Kyrgyzstan and the laws governing the Company, its subsidiaries and their respective business activities; inflation; changes in exchange and interest rates; adverse changes in commodity prices; the inability of the Company to obtain required financing; adverse changes with respect to the Talas Joint Venture; adverse general market conditions; lack of availability at a reasonable cost or at all, of equipment or labour; inability to attract and retain key management and personnel; the possibility of non-resident class members commencing individual claims in connection with the Claim; the Company's inability to delineate additional mineral resources and delineate mineral reserves; reductions in, or no, future cash flows at Varvarinskoye; and future unforeseen liabilities and other factors including, but not limited to, those listed under the "Risk and Uncertainties" section in the Company's MD&A.

Any mineral resource figures referred to in this press release are estimates 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 in respect of its properties 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. Mineral resources that are not mineral reserves do not have demonstrated economic viability. The Karchiga Scoping Study, the NI 43-101 Taldybulak Scoping Study Report and/or the Taldybulak Scoping Study are preliminary in nature, and include 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 conclusions of the Karchiga Scoping Study, the NI 43-101 Taldybulak Scoping Study Report and/or the Taldybulak Scoping Study will be realized.

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. 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.

**ENDS**

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