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**TSX: OSU**  
**AIM: OSU**  
**PRESS RELEASE**  
25 July 2011

## **Orsu Metals Corporation**

### **Orsu to receive US\$5.5 million cash in early and final settlement of deferred consideration for the sale of the Varvarinskoye Project**

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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 that it has reached an agreement with Open Joint Stock Company Polymetal (“Polymetal”) to receive US\$5.5 million in cash by the end of September 2011 as early and final settlement of its outstanding deferred consideration entitlement, pursuant to the sale and purchase agreement (the “SPA”) dated June 13, 2009, relating to the sale of the Varvarinskoye gold-copper project in Kazakhstan (the “Varvarinskoye Project”).

Pursuant to the SPA, Orsu’s deferred consideration entitlement is capped at US\$12 million, contingent on and calculable by reference to the future metal prices of both gold and copper and the future cash flows of the Varvarinskoye Project. Orsu received US\$1.5 million of deferred consideration in cash in January 2011, leaving a further entitlement of up to US\$10.5 million outstanding, which amount would, if earned, be payable to Orsu in cash tranches of up to US\$1.5 million per annum from 2012 to 2018.

Orsu’s executive management team believes that the US\$5.5 million cash settlement represents best value (on a discounted net present value basis) for Orsu’s shareholders, due to the uncertainty regarding Orsu’s future receipt of deferred consideration. A substantial portion of the future deferred consideration payments to Orsu is contingent on the operational cash flows generated by the Varvarinskoye Project.

The carrying value of Orsu’s deferred consideration receivable in the Company’s financial statements as at March 31, 2011 was US\$3,592,000. Accordingly, the Company anticipates that following its receipt of the US\$5.5 million cash settlement in September 2011, approximately US\$1.9 million in net income will be added to Orsu’s financial statements for the quarter ended September 30, 2011.

Dr. Sergey V Kurzin, Executive Chairman of Orsu commented: “We are very pleased that we have reached an agreement with Polymetal to accelerate the receipt of deferred consideration funds. Given current market conditions, Orsu’s current share price and its present stage of development, cash is of much greater value to the Company today than in the future.”

**ENDS**

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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 in this press release includes, but may not be limited to statements relating to: Orsu's receipt of a US\$5.5 million cash settlement from Polymetal, including the expected timing thereof, and the anticipated effect of such payment on the Company's financial statements. Factors that could cause actual results to differ materially from those described in such forward-looking information include, but are not limited to, adverse general market conditions, adverse changes in future gold and copper prices, reductions in, or no, cash flows of the Varvarinskoye Project, risks normally incidental to producing mineral properties and certain other risks.

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. 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. 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.