TSX: OSU
PRESS RELEASE
January 13, 2017

Orsu Metals Amends Terms of Purchase of the Sergeevskoe Gold Project in Russia

Orsu Metals Corporation (“Orsu” or the “Company”) announces that the terms of the Exclusive and Binding Heads of Agreement (the “HOA”) for the potential acquisition of the Sergeevskoe Project located in the Russian Federation as announced on September 21, 2016 have been amended and included in a definitive share purchase agreement signed by the parties on January 12, 2017.

The terms of the acquisition of the Sergeevskoe Project remain tied to Orsu’s successful completion of the sale of Orsu’s interest in its Karchiga Project located in Kazakhstan for US$7.75 million by June 30, 2017 although the sale or Karchiga is expected to close before the end of January 2017.

The Sergeevskoe Project license is owned by Sibzoloto Investments Limited (“Sibzoloto”), a Cyprus registered company which in turn is the sole owner of both LLC GK Alexandrovskoe, holder of the Sergeevskoe license, and LLC Investco Realty, the owner of a work camp and infrastructure to support the nearby Sergeevskoe Project. The shares of Sibzoloto are owned by four arm’s length parties together defined by as the Sellers.

Orsu and the Sellers have now entered into a definitive share purchase agreement on terms amended from the HOA as described in the following paragraphs.

Closing is subject to the receipt of regulatory approval for this fundamental acquisition. On closing, Orsu will purchase 300 (30%) of the €1 par value shares of Sibzoloto from the Sellers by the issue of 146,605,683 new common shares in Orsu and payment of US$180,000 cash.

If the sale of Karchiga completes prior to June 30, 2017, then within 10 days, the Sellers will sell and Orsu will purchase the remaining 700 (70%) of the shares of Sibzoloto for consideration of €700 and US$420,000 cash.

At that point, Orsu will own 100% of Sibzoloto and the Sellers will own in aggregate 44.5% of Orsu. No one Seller will own more than 20% of Orsu and the Sellers have confirmed they will individually govern their investment in Orsu. Orsu will be well funded with the remaining cash in treasury combined with the US$7.75 million proceeds on the sale of Karchiga and will be able to significantly advance exploration on the Sergeevskoe Project before needing to raise additional equity funds.

If the sale of Karchiga does not complete prior to June 30, 2017 then Orsu will own 100% of the Karchiga project located in Kazakhstan and a 30% participating interest in Sibzoloto. Orsu and the Sellers will negotiate the terms of a shareholder’s agreement at that time to govern the operations of Sibzoloto, the terms of which will provide for an option for the Company to acquire, and the Sellers to sell, the remaining 700 (70%) shares of Sibzoloto on terms to be negotiated at that time. Prior regulatory approval will be obtained in the event the parties determine that the consideration for the remaining 700 shares of Sibzoloto be paid and settled in shares of Orsu.

Orsu will continue its efforts to reduce its general and administrative costs with efforts to conserve cash.

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
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