



**CONDENSED INTERIM  
CONSOLIDATED FINANCIAL STATEMENTS**

**For the three months ended March 31, 2022**

(Unaudited - Expressed in US dollars)

**ORSU METALS CORPORATION**  
**Condensed Interim Consolidated Statements of Financial Position**  
(Unaudited - Expressed in US dollars)

	<i>Note</i>	<b>March 31, 2022</b>	<b>December 31, 2021</b>
<b>ASSETS</b>			
<b>Current</b>			
Cash	4	\$ 229,407	\$ 515,418
Receivables	5	43,641	41,994
Prepaid expenses	6	52,181	78,301
		\$ 325,229	\$ 635,713
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>Current</b>			
Trade and other payables	8	\$ 85,456	\$ 87,377
Warrant liability	9	5,654	60,879
		91,110	148,256
<b>Shareholders' equity</b>			
Share capital	10	387,346,253	387,228,913
Obligation to issue shares	10	33,710	117,340
Reserves	10	33,625,984	33,625,984
Deficit		(420,416,238)	(420,105,723)
Equity attributable to Orsu shareholders		589,709	866,514
Non-controlling interest		(355,590)	(379,057)
		234,119	487,457
		\$ 325,229	\$ 635,713
<b>Nature of operations and going concern</b>	<i>1</i>		
<b>Subsequent events</b>	<i>14</i>		

These condensed interim consolidated financial statements were approved for issue by the Audit Committee of the Board of Directors on May 26, 2022.

They are signed on the Company's behalf by:

*"Mark Corra"*

Mark Corra, Director

*"Sergei Stefanovich"*

Sergei Stefanovich, Director

**ORSU METALS CORPORATION****Condensed Interim Consolidated Statements of Loss and Comprehensive Loss**

(Unaudited - Expressed in US dollars)

		Three months ended March 31,	
	Note	2022	2021
<b>EXPENSES</b>			
Administration		\$ 14,575	\$ 16,493
Depreciation		-	2,000
Exploration and evaluation expenditures	7 & 11	242,382	157,697
Foreign exchange		(53,139)	23,875
Professional fees		7,795	6,910
Salaries and benefits	11	120,946	102,110
Transfer agent and regulatory fees		7,965	6,337
Travel		2,635	1,292
		(343,159)	(316,714)
<b>Unrealized gain on warrant liability</b>	9	56,111	72,041
<b>LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD</b>		\$ (287,048)	\$ (244,673)
<b>Loss attributable to Orsu shareholders</b>		\$ (310,515)	\$ (232,015)
<b>Loss attributable to non-controlling interest shareholders</b>		23,467	(12,658)
		\$ (287,048)	\$ (244,673)
<b>Basic and diluted loss per common share</b>		\$ (0.01)	\$ (0.01)
<b>Basic and diluted weighted average number of common shares outstanding</b>		44,015,152	43,453,694

*The accompanying notes form an integral part of these condensed interim consolidated financial statements*

**ORSU METALS CORPORATION**  
**Condensed Interim Consolidated Statements of Cash Flows**  
(Unaudited - Expressed in US dollars)

	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
<b>CASH PROVIDED BY (USED FOR):</b>		
<b>OPERATING ACTIVITIES:</b>		
Loss for the period	\$ (287,048)	\$ (244,673)
Items not affecting cash:		
Depreciation	-	2,000
Unrealized gain on warrant liability	(56,111)	(72,041)
Obligation to issue shares	33,710	34,957
Foreign exchange on warrant liability	886	1,673
Change in non-cash working capital items:		
Receivables	(1,647)	418,456
Prepaid expenses	26,120	37,133
Trade and other payables	(1,921)	5,548
	(286,011)	183,053
<b>CHANGE IN CASH FOR THE PERIOD</b>	(286,011)	183,053
<b>CASH, BEGINNING OF THE PERIOD</b>	515,418	75,088
<b>CASH, END OF THE PERIOD</b>	\$ 229,407	\$ 258,141
<b>Non-cash investing and financing activities</b>		
Shares issued to settle an obligation to issue shares	\$ 117,340	\$ 136,913
<b>Supplemental cash flow information</b>		
Cash paid for interest	-	-
Cash paid for income taxes	-	-

*The accompanying notes form an integral part of these condensed interim consolidated financial statements*

## ORSU METALS CORPORATION

### Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

(Unaudited - Expressed in US dollars)

	Number of shares	Share capital	Obligation to issue shares	Reserves	Deficit	Non-controlling interest	Shareholders' equity
Balance, December 31, 2021	43,529,898	\$ 387,228,913	\$ 117,340	\$ 33,625,984	\$ (420,105,723)	\$ (379,057)	\$ 487,457
Shares issued to settle an obligation to issue shares	559,908	117,340	(117,340)	-	-	-	-
Obligation to issue shares	-	-	33,710	-	-	-	33,710
Comprehensive loss for the period	-	-	-	-	(310,515)	23,467	(287,048)
Balance, March 31, 2022	44,089,806	\$ 387,346,253	\$ 33,710	\$ 33,625,984	\$ (420,416,238)	\$ (355,590)	\$ 234,119

	Number of shares	Share capital	Obligation to issue shares	Reserves	Deficit	Non-controlling interest	Shareholders' equity
Balance, December 31, 2020	42,958,367	\$ 387,092,000	\$ 136,913	\$ 33,625,984	\$ (416,265,856)	\$ (31,822)	\$ 4,557,219
Shares issued to settle an obligation to issue shares	571,531	136,913	(136,913)	-	-	-	-
Obligation to issue shares	-	-	34,957	-	-	-	34,957
Comprehensive loss for the period	-	-	-	-	(232,015)	(12,658)	(244,673)
Balance, March 31, 2021	43,529,898	\$ 387,228,913	\$ 34,957	\$ 33,625,984	\$ (416,497,871)	\$ (44,480)	\$ 4,347,503

The accompanying notes form an integral part of these condensed interim consolidated financial statements

# ORSU METALS CORPORATION

## NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

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### 1. NATURE OF OPERATIONS AND GOING CONCERN

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Orsu Metals Corporation (“Orsu” or the “Company”) is a publicly traded company incorporated under the laws of the Province of British Columbia. The Company’s shares are listed for trading on the TSX Venture Exchange (“TSX-V”) under the symbol OSU. The corporate office of the Company is located at Unit 1 - 15782 Marine Drive, White Rock, B.C., Canada, V4B 1E6.

The Company is engaged in the exploration and, if warranted, development of a mineral resource project in eastern Russia. The Company is considered to be in the exploration stage as it has not placed any of its exploration and evaluation assets into production nor has it generated any revenues from operations.

In February 2022, countries around the world imposed a number of sanctions on Russia in response to its invasion of Ukraine. These sanctions include, but are not limited to, removing certain Russian banks from the Society for Worldwide Interbank Financial Telecommunication (“SWIFT”) messaging system, which will affect the Company’s ability to fund its operations in Russia. The Company has some cash reserves in Russia, but prolonged sanctions may impact the Company’s ability to send additional cash to fund operations in Russia, and specifically maintaining the Sergeevskoe license in good standing. It has been reported that the Government of Russia, in response to the sanctions imposed on its country, have imposed counter sanctions and credibly threatened to expropriate or nationalize Russian companies with significant foreign shareholding when investors’ home governments are “unfriendly” towards Russia, which includes Canada. For these reasons the Company is at risk of losing its Sergeevskoe license and its ability to recover any of its investment.

In May 2022, the Company entered into a non-binding letter of intent (the “LOI”) with two companies, pursuant to which Orsu and the two companies will complete a business combination that will result in a reverse takeover and change of business of Orsu (Note 14). The resulting entity will be a global helium explorer and developer with exclusive rights to the Topaz helium project in the USA and a 100% interest in the Tunu helium project in Greenland.

In May 2022, the Company also entered into a share purchase agreement pursuant to which Orsu will sell its 90% interest in the Sergeevskoe gold project to the holders of the other 10% interest in the project (Note 14).

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business in the foreseeable future. As at March 31, 2022, the Company had working capital of \$234,119. Management estimates that these funds may not provide the Company with sufficient financial resources to carry out currently planned exploration and operations over the next twelve months. Accordingly, the Company may need to seek additional sources of financing. While the Company has been successful in the past in obtaining financing, there is no assurance that it will be able to obtain adequate financing in the future or that such financing will be on terms acceptable to the Company. These material uncertainties may cast significant doubt upon the Company’s ability to continue as a going concern.

In March 2020, the World Health Organization declared COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, has adversely affected workforces, economies, and financial markets globally. It is not possible for the Company to predict the duration or magnitude of the adverse impacts of the outbreak and its effects on the Company’s business or ability to raise funds. To date, the COVID-19 pandemic has not had a significant impact on the Company’s operations.

These condensed interim consolidated financial statements do not reflect adjustments that would be necessary if the going concern assumption were not appropriate.

**ORSU METALS CORPORATION**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

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**2. BASIS OF PRESENTATION**

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**Statement of compliance**

These condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard 34 Interim Financial Reporting using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and the International Financial Reporting Interpretations Committee.

These condensed interim consolidated financial statements do not include all of the disclosures required for annual financial statements, and therefore should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2021.

**Basis of measurement**

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

**Functional and presentation currency**

These condensed interim consolidated financial statements are presented in United States (“US”) dollars, which is the parent company’s functional currency as well as the functional currency of the Company’s subsidiaries.

**Use of accounting estimates, judgments, and assumptions**

Information about estimates and judgments used in applying accounting policies that have the most significant effect on the amounts recognized in the Company’s consolidated financial statements are included in Note 2 to the Company’s December 31, 2021 annual consolidated financial statements.

**3. SIGNIFICANT ACCOUNTING POLICIES**

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The accounting policies applied by the Company in these condensed interim consolidated financial statements are the same as those applied by the Company as at and for the year ended December 31, 2021.

**New standards, interpretations, and amendments not yet effective**

There are no new standards that will have any significant effect on the Company.

**ORSU METALS CORPORATION**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

**4. CASH**

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
US dollar denominated deposits held in Canada	\$ 106,302	\$ 410,449
Canadian dollar denominated deposits held in Canada	17,062	5,123
Ruble denominated deposits held in Russia	102,860	95,014
US dollar denominated deposits held in Cyprus	3,183	4,832
<b>Total</b>	<b>\$ 229,407</b>	<b>\$ 515,418</b>

**5. RECEIVABLES**

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Amounts due from the Government of Russia pursuant to value added tax	\$ 29,449	\$ 27,162
Amounts due from the Government of Canada pursuant to input tax credits	1,660	1,573
Other	12,532	13,259
<b>Total</b>	<b>\$ 43,641</b>	<b>\$ 41,994</b>

**6. PREPAID EXPENSES**

	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Prepaid insurance	\$ 29,795	\$ 51,277
Other	22,386	27,024
<b>Total</b>	<b>\$ 52,181</b>	<b>\$ 78,301</b>

**ORSU METALS CORPORATION**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

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**7. EXPLORATION AND EVALUATION ASSETS**

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The Company has a 90% interest in the Sergeevskoe gold project located in eastern Russia.

The Sergeevskoe project is leased from the Russian Government until 2031 and is subject to a 0.75% net smelter return royalty, to be capped at \$7,500,000 at which point it will expire.

The Company will carry the 10% non-controlling interest until completion of a definitive feasibility study on the Sergeevskoe project, at which point the 10% interest will become a participating interest, subject to dilution. The Company is responsible for funding 100% of all costs until completion of a definitive feasibility study.

Subsequent to March 31, 2022, the Company entered into a share purchase agreement pursuant to which Orsu will sell its 90% interest in the Sergeevskoe gold project to the holders of the other 10% interest in the project (Note 14).

Exploration and evaluation expenditures included in the loss for the three months ended March 31, 2022 and 2021 are as follows:

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	<b>Three months ended March 31,</b>	
	<b>2022</b>	<b>2021</b>
Licenses and permits	\$ 14,497	\$ 8,209
Personnel, administration and travel	96,937	118,487
Studies and evaluations	130,948	31,001
	<b>\$ 242,382</b>	<b>\$ 157,697</b>

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**8. TRADE AND OTHER PAYABLES**

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	<b>March 31,</b>	<b>December 31,</b>
	<b>2022</b>	<b>2021</b>
Trade and other payables in Canada	\$ 42,197	\$ 39,445
Trade and other payables in Russia	34,011	26,783
Due to related parties (Note 11)	9,248	21,149
Total	<b>\$ 85,456</b>	<b>\$ 87,377</b>

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**ORSU METALS CORPORATION**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

**9. WARRANT LIABILITY**

	March 31, 2022	December 31, 2021
Balance, beginning of period	\$ 60,879	\$ 134,016
Unrealized gain on revaluation	(56,111)	(72,616)
Foreign exchange	886	(521)
Balance, end of period	\$ 5,654	\$ 60,879

Share purchase warrants are considered a derivative liability, as the currency denomination of the exercise price is different from the functional currency of the Company. The warrant liability was revalued as at March 31, 2022 using the Black-Scholes option pricing model with the following assumptions: a stock price of C\$0.15; a risk-free interest rate of 2.17%; an expected volatility of 79%; an expected life of 0.61 years; a forfeiture rate of zero; an expected dividend of zero; and an exchange rate of 1.2496.

**10. SHARE CAPITAL AND RESERVES**

**a) Authorized**

The Company is authorized to issue an unlimited number of common shares without par value.

**b) Issued and outstanding**

As at March 31, 2022, the Company had 44,089,806 common shares issued and outstanding (December 31, 2021 – 43,529,898). A summary of changes in share capital and reserves is contained on the consolidated statements of changes in shareholders' equity for the three months ended March 31, 2022 and 2021.

On January 7, 2022, the Company issued 559,908 common shares to settle an obligation to issue shares of \$117,340 (Note 10e).

**c) Warrants**

The continuity of share purchase warrants for the three months ended March 31, 2022 is as follows:

Expiry date	Exercise price CAD\$	Balance, December 31, 2021	Granted	Exercised	Forfeited	Balance, March 31, 2022		
November 8, 2022	\$ 0.36	1,400,000	-	-	-	1,400,000		
		1,400,000	-	-	-	1,400,000		
<b>Weighted average exercise price - CAD\$</b>	<b>\$</b>	<b>0.36</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>-</b>	<b>\$</b>	<b>0.36</b>

**ORSU METALS CORPORATION**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

**10. SHARE CAPITAL AND RESERVES (continued)**

**d) Options**

The Company has a rolling stock option plan applicable to directors, employees, and consultants, under which the total outstanding stock options are limited to 10% of the outstanding common shares of the Company at any one time. The exercise price of an option shall not be less than the discounted market price at the time of granting as prescribed by the policies of the TSX-V. The maximum term of stock options is ten years from the grant date. Vesting terms are at the discretion of the directors.

The continuity of stock options for the three months ended March 31, 2022 is as follows:

<b>Expiry date</b>	<b>Exercise price CAD\$</b>	<b>Balance, December 31, 2021</b>	<b>Granted</b>	<b>Exercised</b>	<b>Forfeited</b>	<b>Balance, March 31, 2022</b>
September 21, 2022	\$ 0.13	2,845,000	-	-	-	2,845,000
January 3, 2025	\$ 0.265	889,000	-	-	-	889,000
		3,734,000	-	-	-	3,734,000
<b>Weighted average exercise price - CAD\$</b>		<b>\$ 0.16</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.16</b>

As at March 31, 2022, all stock options were exercisable with a weighted average remaining life of 1.02 years.

**e) Obligation to issue shares**

The Company's three non-executive directors are paid an annual fee of \$15,000 each. As the Company permits, one of the directors has elected to be paid half of his annual fees in cash and the other half in shares, while the other two directors have elected to be paid all of their annual fees in shares. In addition, the Company has engaged a consultant at the rate of \$30,000 per year to be paid in shares. Lastly, the Company's Managing Director elected to be paid his salary of 60,000 Euro in shares. All shares to be issued will be subject to approval by the TSX-V and will be priced at the closing price on the last trading day of December each year and issued within 3 business days after that.

During the three months ended March 31, 2022, the Company recorded \$33,710 (2021 - \$34,957) as an obligation to issue shares.

**ORSU METALS CORPORATION**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

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**11. RELATED PARTY TRANSACTIONS AND BALANCES**

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*Key management compensation*

Key management includes members of the non-executive Board of Directors, the Executive Chairman, the Managing Director, the Director of Exploration, the Chief Financial Officer, and the Corporate Secretary. The aggregate compensation paid or accrued to key management personnel, during the three months ended March 31, 2022 and 2021 were as follows:

	Three months ended March 31,	
	2022	2021
Salaries and benefits		
Chairman	\$ 17,069	\$ 18,283
Managing Director	16,835	18,082
Independent Directors	11,250	11,250
Chief Financial Officer and Corporate Secretary	29,520	29,424
	\$ 74,674	\$ 77,039
Exploration and evaluation expenditures		
Director of Exploration	\$ 18,000	\$ 18,000

*Due to related parties*

As at March 31, 2022, the Company owed \$9,248 (December 31, 2021 – \$21,149) to related parties, being \$1,875 to a director for director fees, and \$1,173 to the Managing Director, \$5,568 to the Chairman, and \$632 to the Chief Financial Officer and Corporate Secretary, all for the reimbursement of expenditures.

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**12. SEGMENTED INFORMATION**

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IFRS 8 "Operating Segments" requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the chief operating decision-maker to allocate resources to the segments and to assess their performance.

The chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating segments, has been defined as the Executive Chairman.

The Company operates in a single segment, being mineral exploration and evaluation.

**ORSU METALS CORPORATION**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

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**13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

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*Financial Instruments*

Financial instruments are classified into one of the following categories: fair value through profit or loss ("FVTPL"); fair value through other comprehensive income ("FVTOCI"); or at amortized cost. The carrying values of the Company's financial instruments are classified into the following categories:

<b>Financial Instrument</b>	<b>Category</b>	<b>March 31, 2022</b>	<b>December 31, 2021</b>
Cash	FVTPL	\$ 229,407	\$ 515,418
Receivables	Amortized cost	43,641	41,994
Trade and other payables	Amortized cost	85,456	87,377
Warrant liability	FVTPL	5,654	60,879

The Company's financial instruments recorded at fair value require disclosure about how the fair value was determined based on significant levels of inputs described in the following hierarchy:

- Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.
- Level 2 - Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the market-place.
- Level 3 - Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The carrying values of receivables and trade and other payables approximate their fair values due to their short-term nature. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost. The carrying value of cash was determined based on Level 1 of the fair value hierarchy. The fair value of the Company's warrant liability is recorded at fair value using Level 3 of the fair value hierarchy. The carrying value of the warrant liability is determined using the Black-Scholes option pricing model.

*Risk Management*

The Company's risk management objectives and policies are consistent with those disclosed by the Company for the year ended December 31, 2021.

**ORSU METALS CORPORATION**  
**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three months ended March 31, 2022

(Unaudited - Expressed in US dollars)

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**14. SUBSEQUENT EVENTS**

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In May 2022, the Company entered into a non-binding letter of intent (the “LOI”) with Invenir Ltd. (“Invenir”) and Skyfire Ltd. (“Skyfire”, collectively with Invenir, the “Target Companies”), pursuant to which Orsu and the Target Companies will complete a business combination that will result in a reverse takeover and change of business of Orsu (the “Proposed Transaction”). The Target Companies are arm’s length’s parties to the Company.

The entity resulting from the Proposed Transaction (the “Resulting Issuer”) will be a global helium explorer and developer with exclusive rights to the Topaz helium project in the USA and a 100% interest in the Tunu helium project in Greenland.

In May 2022, the Company also entered into a share purchase agreement (the “SPA”) pursuant to which Orsu will sell its 90% interest (“Majority interest”) in the Sergeevskoe gold project to the holders of the other 10% interest (the “Buyers”) in the project (the “Disposition”). The Disposition will be completed immediately following the completion of the Proposed Transaction.

*Terms of the LOI*

Subject to satisfactory tax, corporate and securities law advice for both Orsu and the Target Companies, the Proposed Transaction will be structured as a share purchase or other form of transaction or a series of transactions that have a similar effect, and pursuant to which:

- i) Orsu shall complete a share consolidation (the “Consolidation”);
- ii) Orsu will acquire all voting securities of the Target Companies from the shareholders of the Target Companies (the “Target Company Shareholders”) in consideration for the issuance to the Target Company Shareholders of post-consolidation common shares of Orsu (“Post-Consolidation Shares”); and
- iii) Orsu will conduct a concurrent private placement offering (the “Concurrent Financing”) of Subscription Receipts (described below) to raise proceeds of at least \$5 million, at a price to be determined in the context of the market.

Completion of the Proposed Transaction is subject to a number of conditions, including receipt of all necessary regulatory approvals, including shareholder approval if required, execution of related transaction documents, approval of the TSX-V, disposition of the Company’s existing assets, there being no adverse material change in the affairs of the parties and completion of satisfactory due diligence by each of the parties.

The LOI shall terminate upon any party notifying the others that it is not satisfied with the results of its due diligence investigation by June 30, 2022.

*Terms of the Share Purchase Agreement*

The SPA provides that the Buyer’s will acquire the Majority Interest from Orsu for nominal consideration on closing but will pay contingent consideration of up to a maximum US\$4.5 million to Orsu in the event that the Buyers sell the Sergeevskoe project within five years from closing to a non-sanctioned third-party buyer.

The Buyers include two directors of the Company and therefore the Disposition and the SPA were reviewed and approved by a special committee of the board of directors of the Company, all of whom are independent of the Buyers. The Buyers will assume all the assets and liabilities of the Majority Interest.