



**MANAGEMENT'S DISCUSSION AND ANALYSIS
QUARTERLY HIGHLIGHTS**

For the nine months ended September 30, 2022

(Expressed in US dollars)

ORSU METALS CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS – QUARTERLY HIGHLIGHTS

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The following is management's discussion and analysis – quarterly highlights (“MD&A”) of the results of operations and financial condition of Orsu Metals Corporation (the “Company” or “Orsu”) for the nine months ended September 30, 2022 and up to the date of this MD&A. The MD&A has been prepared to provide material updates to the business operations, financial condition, liquidity and capital resources of the Company since its last management's discussion and analysis for the fiscal year ended December 31, 2021 (the “Annual MD&A”).

This MD&A should be read in conjunction with the Annual MD&A and the audited consolidated financial statements for the year ended December 31, 2021, together with the notes thereto, and the accompanying unaudited condensed interim consolidated financial statements and related notes thereto for the nine months ended September 30, 2022 (the “Financial Report”).

All financial information in this MD&A is derived from the Company's financial statements prepared in accordance with International Financial Reporting Standards (“IFRS”) and all dollar amounts are expressed in United States dollars unless otherwise indicated.

The effective date of this MD&A is November 24, 2022.

Description of the Business

Orsu 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.

Until it was sold on October 31, 2022, the Company's sole asset was a 90% interest in the Sergeevskoe gold project located in eastern Russia.

The Company is engaged in discussions and evaluating a number of potential acquisitions with a concurrent equity financing with an aim to move the Company forward.

Russian/Ukraine conflict

Since the Russian invasion of Ukraine in February 2022, the Company has been monitoring the evolving situation and assessing the risks associated with the sanctions and their impact on the Company's operations in Russia. After considering the anticipated risks and benefits of alternatives to the Disposition (described below), including continuing maintaining the Company's existing interest in the Sergeevskoe gold project, it was determined by a special committee of independent directors of Orsu that given the sanctions made against Russia and Russia's invasion of Ukraine, neither of which are expected to be resolved soon, and the Company's limited cash treasury and inability to raise additional equity financing as a result of the Russia sanctions, continuing with the development of the Sergeevskoe project is not an option.

Proposed Transaction

From May to September 2022, the Company was party to a non-binding letter of intent (the “LOI”) with Invenir Ltd. and Skyfire Ltd. with respect to a business combination that would have resulted in a reverse takeover and change of business of Orsu (the “Proposed Transaction”). The Proposed Transaction did not close by September 30, 2022 and the LOI was terminated by Invenir Ltd. and Skyfire Ltd.

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Disposition of Russian Assets

In May 2022, concurrent with the Proposed Transaction, the Company entered into a share purchase agreement pursuant to which Orsu would sell its 90% interest in the Sergeevskoe project to the holders of the other 10% interest (the "Buyers") in the project (the "Disposition"). The Company's shareholders approved the Disposition subject to closing of the Proposed Transaction.

In October 2022, the Company sought and received shareholder approval by way of a consent resolution to waive the closing of the Proposed Transaction as a condition precedent to closing the Disposition. The Disposition closed on October 31, 2022, and the Company completed its exit from Russia.

The Company may be paid contingent consideration up to a maximum of US\$4.5 million if the Buyer's sell Sergeevskoe within 5 years of closing to a third-party buyer, and the Company is not precluded by sanctions from receiving that contingent consideration.

Forgiveness of related party debt

In November 2022, accrued fees to June 30, 2022 of \$54,752 owing to officers and directors of the Company were forgiven and the officers and directors agreed to waive all future fees until further notice. Accordingly, the Company recorded a gain on forgiveness of trade and other payables of \$54,752 during the nine months ended September 30, 2022.

In November 2022, the obligation to issue shares accrued to June 30, 2022 of \$64,066 owing to directors and a consultant of the Company were forgiven and all future fees were waived, effective July 1, 2022. Accordingly, the Company recorded a gain on forgiveness of obligation to issue shares of \$64,066 during the nine months ended September 30, 2022.

In July 2022, the Managing Director of the Company loaned the Company \$30,186 (£25,000). The loan was unsecured, bore interest at a rate of 10%, and was payable by November 30, 2022. In November 2022, the Managing Director of the Company forgave all principal and interest owing pursuant to this related party loan.

COVID-19

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.

Trends

The Company is an exploration company. Issues of seasonality or market fluctuations have had a minor impact on the expenditure patterns. The Company expenses its exploration, project investigation and general and administration costs, and these amounts are included in the net loss for each quarter. The Company's treasury, in part, determines the levels of exploration.

The level of the Company's exploration expenditures is largely determined by the strength of the resource capital and commodity markets and its ability to obtain investor support for its projects.

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Results of Operations – nine months ended September 30, 2022

The consolidated loss for the nine months ended September 30, 2022 was \$584,408 compared to \$212,874 for the nine months ended September 30, 2021.

The significant amounts and changes between the current period and the comparative period are discussed below.

Exploration and evaluation expenditures totalled \$709,372 for the current period compared to \$551,513 in the comparative period and relates to exploration expenditures on the Sergeevskoe project in Russia as well as Russian general and administration expenditures.

Professional fees totalled \$100,165 for the current period compared to \$79,472 in the prior period. The increase is due to legal fees incurred related to the Company's now terminated LOI as described above.

Salaries and benefits totalled \$199,132 for the current period compared to \$311,411 in the prior period. Effective July 1, 2022, all officers and directors waived their fees until further notice.

In November 2022, accrued fees to June 30, 2022 of \$54,752 owing to officers and directors of the Company were forgiven. Accordingly, the Company recorded a gain on forgiveness of trade and other payables of \$54,752 during the nine months ended September 30, 2022.

In November 2022, the obligation to issue shares accrued to June 30, 2022 of \$64,066 owing to directors and a consultant of the Company were forgiven. Accordingly, the Company recorded a gain on forgiveness of obligation to issue shares of \$64,066 during the nine months ended September 30, 2022.

During the nine months ended September 30, 2021, the Company recorded a gain of bulk test and pilot mining recoveries receivable of \$748,558. This relates to amounts received during the period that were subject to a provision recorded in 2020 due to the uncertainty over collection of amounts generated from the Company's bulk test and pilot mining.

Liquidity and Capital Resources

Orsu began the 2022 fiscal year with \$515,418 in cash. During the nine months ended September 30, 2022, the Company spent \$488,252 on operating activities, net of working capital changes, and received \$30,186 from a related party loan, to end at September 30, 2022 with \$57,352 in cash.

As at September 30, 2022, the Company had a working capital deficiency of \$96,951. The Company will 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.

Related Party Transactions

The Company had no other related party transactions other than those incurred in the normal course of business as disclosed in the Financial Report.

Additional Disclosure for Venture Issuers without Significant Revenue

The Company wrote-off all of its exploration and evaluation assets and property and equipment in the year ended December 31, 2021.

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Outstanding Share Data as at the date of this MD&A

Authorized: an unlimited number of common shares without par value

	Common Shares Issued and Outstanding	Share Purchase Warrants	Stock Options
Balance as at September 30, 2022	44,089,806	1,400,000	649,000
Warrants expired	-	(1,400,000)	-
Balance as at the date of this MD&A	44,089,806	-	649,000

Cautionary Note Regarding Forward-looking Statements

This MD&A may include or incorporate by reference certain statements or disclosures that constitute “forward-looking information” under applicable securities laws. All information, other than statements of historical fact, included or incorporated by reference in this MD&A that addresses activities, events or developments that Orsu or its management expects or anticipates will or may occur in the future constitute forward-looking information. Forward-looking information is provided through statements that are not historical facts and are generally, but not always, identified by the words “expects”, “plans”, “anticipates”, “believes”, “intends”, “estimates”, “projects”, “potential” and similar expressions, or that events or conditions “will”, “would”, “may”, “could” or “should” occur or continue. These forward-looking statements are based on certain assumptions and analyses made by Orsu and its management in light of its experience and its perception of historical trends, current conditions and expected future developments, as well as other factors it believes are appropriate in the circumstances.

Although Orsu believes such forward-looking information and the expectations expressed in them are based on reasonable assumptions, investors are cautioned that any such information and statements are not guarantees of future realities and actual realities or developments may differ materially from those projected in forward-looking information and statements. Whether actual results will conform to the expectations of Orsu is subject to a number of risks and uncertainties, including those risk factors discussed under “Risk Management” in the above documents incorporated herein by reference. In particular, if any of the risk factors materialize, the expectations and the predictions based on them may need to be re-evaluated. Consequently, all of the forward-looking information in this MD&A and the documents incorporated herein by reference is expressly qualified by these cautionary statements and other cautionary statements or factors contained herein or in documents incorporated by reference herein, and there can be no assurance that the actual results or developments anticipated by Orsu will be realized or, even if substantially realized, that they will have the expected consequences for Orsu.

Forward-looking statements are based on the beliefs, estimates and opinions of Orsu’s management on the date the statements are made. Unless otherwise required by law, Orsu expressly disclaims any intention and assumes no obligation to update or revise any forward-looking statements in the event that management’s beliefs, estimates or opinions, or other factors, should change, whether as a result of new information, future events or otherwise, and Orsu does not have any policies or procedures in place concerning the updating of forward-looking information other than those required under applicable securities laws. Accordingly, readers should not place undue reliance on forward-looking statements or forward-looking information.

Other Information

Additional information relating to the Company is available for viewing on SEDAR at www.sedar.com and at the Company’s web site www.orsumetals.com.