

White Rock, BC (FSCwire) - [Orsu Metals Corp.](#) (“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 in 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 anticipates will or may occur in the future is forward-looking information. Such forward-looking information includes, without limitation, statements relating to: the estimate, use and sufficiency of the Company’s working capital and the Company’s ability to fund its working capital requirements; the potential disposition of one or more of the Company’s exploration interests or exploration projects as well as the seeking of business opportunities other than such exploration projects; the potential raising of additional funding through the Sale and Purchase Agreement for the disposition of the Karchiga Transaction and the proposed uses and allocation thereof; the anticipated trend of decreasing administration expenditures; and the Company’s future growth (including new opportunities and acquisitions) and its ability to raise or secure 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 debt sources and/or capital markets and the sale of properties to meet its future expected obligations and planned activities, the economy and the mineral exploration and extraction industry in general, available historical information will be useful to the Company’s evaluation of the geological and metallurgical risks for the Sergeevskoe Project; the political environments and the regulatory frameworks in Kazakhstan with respect to, among other things, the mining industry generally, royalties, taxes, environmental matters and the Company’s ability to obtain, maintain, renew and/or extend required permits, licenses, authorisations and/or approvals from the appropriate regulatory authorities, including the previous waiver granted by the relevant ministry in Kazakhstan, currently the Competent Authority, which covers any pre-emptive right that the Competent Authority or State has in respect of any past placements, future capital, operating and production costs and cash flow discounts, anticipated mining and processing rates, assumptions relating to the Company’s critical accounting policies, and has also assumed that no unusual geological or technical problems occur, 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: completion of the Karchiga Transaction; uncertainty of capital and operating costs, adverse changes in commodity prices; the inability of the Company to obtain required financing for its planned activities; the inability of the Company to obtain required financing on favourable terms at all or arrange for the disposition of, and find potential buyers for, the Company's exploration interests or exploration projects; the negotiation and execution of the Sergeevskoe Agreement before the expiry of the exclusivity period; unsatisfactory due diligence results, the failure to obtain the necessary approval of the Russian Federation for the transfer of ownership of the Sergeevskoe Project, the failure to obtain the required authorizations and/or approvals from the TSX; the Company's inability to obtain, maintain, renew and/or extend required licenses, permits, authorizations and/or approvals from the appropriate regulatory authorities, adverse changes in the political environments in Kazakhstan and the laws governing the Company, its subsidiaries and their respective business activities; inflation; changes in exchange and interest rates; adverse general market conditions; lack of availability, at a reasonable cost or at all, of equipment or labour; the 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 possibility of non-compliance with environmental or other applicable laws and regulations; the Company's inability to delineate additional mineral resources and mineral reserves; and future unforeseen liabilities and other factors including, but not limited to, those listed under the "Risk and Uncertainties" section of the Company's annual MD&A.

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 because 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.

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