White Rock, BC (FSCwire) - Orsu Metals Corp. (TSX-V: OSU) (“Orsu” or the “Company”) is pleased to announce encouraging results from Phase 1 exploration program at its 30% owned Sergeevskoe Gold Project in Russia.

Highlights:

- Three prospects – Klyuchi West, Kozie and Zone 23 – were trenched at the Sergeevskoe Gold Project with a total of 1314 metres in 9 widely-spaced trenches completed to test historical results.
- At Klyuchi West, trench results include (at 0.5 g/t (“Au”) gold cut-off grade):
  - 48.56 g/t Au over 8.0 metres (“m”) (uncapped), including 335 g/t Au over 1 m in trench 17-1042
  - 4.01 g/t Au over 13.50 m in trench 17-1025
- At Kozie, results from trench 17-752 include:
  - 0.86 g/t Au over 7.3 m;
  - 1.88 g/t Au over 8.0 m;
  - 2.3 g/t Au over 16.80 m;
  - 0.75 g/t Au over 10.8 m; and
  - 1.25 g/t Au over 2.2 m.
- At Zone 23, results from trench 17-684 include:
  - 5.77 g/t Au over 8.5 m;
  - 0.56 g/t Au over 4.9 m;
  - 1.31 g/t Au over 1.0 m;
  - 1.30 g/t Au over 14.1 m;
  - 1.05 g/t Au over 6.0 m;
  - 1.05 g/t Au over 5.8 m; and
  - 2.16 g/t Au over 19.3 m.

Dr. Sergey V. Kurzin, the Executive Chairman of Orsu commented: “We are very excited by these first results from a very limited amount of work performed so far. Although the widely-spaced nature of initial trenching at the Sergeevskoe Gold Project does not allow yet to definitely correlate the mineralized intercepts between the trenches, our new results validated both the historical results and, most importantly, provide modern insights. Our new intercepts in trenches indicate presence of well-mineralized high-grade gold pods.

We intend to accelerate further exploration work at Sergeevskoe with additional trenching that would allow us to test our concepts, to understand the deposit structurally and to expand the mineralized foot-print. During the summer season we are planning to commence an initial drilling program of 1500 m to test the depth extension of the best targets identified to date.”

Orsu has been conducting exploration at the Sergeevskoe Gold Project since November 2016. In addition to an environmental baseline study and a ground magnetic survey, the Phase 1 works included a 1314 m trenching program in 9 trenches (Figure 1). The program consisted of two short trenches (17-1042 and 17-1025) at Klyuchi West near the eastern boundary of the Sergeevskoe license, two long trenches and one short trench across Kozie (17-752, 17-679, 17-576), and four long trenches across Zone 23 (17-684, 17-941, 17-679 and 17-996). These three targets were selected for initial trench testing on the basis of historical results.

To view the graphic in its original size, please click here

Figure 1. Historical map and position of completed trenches at the Sergeevskoe Gold Project. Yellow colour in the middle of the map depicts a porphyrytic to brecciated granodiorite intrusion emplaced into pre-existing granite shown in white. Pale-red colours correspond to quartz-tourmaline stockwork according to historical data.

The mineralization consists of quartz-tourmaline-sulfide veinlets, forming stockwork zones emplaced into porphyrytic to brecciated granodiorite intrusion at Kozie, along the contact between the granodiorite porphyry stock and pre-existing host granite at Klyuchi West, and mainly into the hosting granite at Zone 23 (Figure 1). The stockwork zones are variable in strike, with trenches intercepting it in perpendicular to oblique directions. The style of mineralization can be best classified as intrusion-related gold. Kozie, Klyuchi West and Zone 23 are multiple gold-mineralized centres within the Sergeevskoe license area, with adjacent Klyuchevskoe (Klyuchi) gold deposit representing the currently largest +6 Moz gold resource in the area (see Orsu press-release dated September 21, 2016).

Klyuchi West

At Klyuchi West, two almost perpendicular trenches have been driven near the contact between granite and porphyritic granodiorite intrusion, some 70 m from the eastern boundary of the Sergeevskoe license area. They intercepted exceptionally high-grade gold mineralization (Figure 2). Selection of mineralized intervals is based on a 0.5 g/t Au cut-off for compositing. Composited intervals are presented uncapped.

To view the graphic in its original size, please click here

Figure 2. Results of Phase 1 trenching from the Sergeevskoe Gold Project.

Trench 17-1042 was driven from the southwest to the north-northeast over 9.7 m. At its eastern end, this trench joined trench 17-1025. It aimed to test the historical intercept of 14 g/t Au over 10 m, including 97.4 g/t Au over 1 m. It intercepted a linear oxidized stockwork in almost perpendicular direction to the stockwork. The newly intercepted mineralized interval returned 48.56 g/t Au over 8 m (above the 0.5 g/t Au cut-off grade, uncapped). It includes 94.55 g/t Au over 4 m (above 5 g/t Au) and also 335 g/t Au over 1 m (uncapped).

Trench 17-1025 was driven from the south to the north over 27.5 m. It obliquely intercepted one interval in the same stockwork, which was intercepted in Trench 17-1042. Historical results showed 3 g/t Au over 13 m. The new results from trench 17-1025 revealed a mineralized interval of 4.01 g/t Au over 13.5 m (above the 0.5 g/t Au cut-off grade), including two subintervals of 9.93 g/t Au over 2.3 m and 5.94 g/t Au over 3.8 m.

The mineralization remains open in eastern and southwestern direction. It is controlled by the contact between the two granitoid intrusions. The extent of mineralization along the contact zone requires further investigation.

Kozie

At Kozie, three trenches have been driven across the poorly-oxidized quartz-tourmaline-sulfide stockwork, occurring in the hydrothermally brecciated granodiorite porphyry intrusion.

Trench 17-752 was driven from the south to the north (Figure 2) for a total length of 182.3 m, starting from interval 17.7 m of historical trench. It intercepted a linear stockwork, chiefly trending 290 WNW. Several mineralized intervals, with best intercept of 2.3 g/t Au over 16.8 m, were revealed starting from the beginning of the trench (Table 1). The mineralization remains open to the south, west and east.

Trench 17-756 was driven from the southwest to the northeast over 21.5 m, some 130 m east from trench 17-752. It intercepted one interval with 3.9 g/t Au over a length of 1.7 m in perpendicular direction to the linear stockwork, indicating its strike to west-northwest.

Trench 17-679 at Kozie was driven from the south to the north over 214 m, starting from interval 630 m of historical trench, some 190 m east from trench 17-752 (Figure 2). It intercepted several short stockwork intervals trending in the 290WNW direction.

Orientation of the stockwork and recognized mineralized zones suggests their extension from trench 17-752 to the southeast rather than straight to the west towards short mineralized intervals in trench 17-679 (Figure 2). This area in the southeast, occurring half distance between Kozie and Zone 23, was not historically trenched or drilled and therefore requires immediate attention during the summer season.

Table 1 summarizes all intercepts in the three trenches at Kozie. Selection of mineralized intervals is based on a 0.5 g/t Au cut-off for compositing. Composited intervals are presented uncapped. No minimum thicknesses considered, but maximum 2 m intervals grading <0.5 g/t Au were included into some of the mineralized intervals shown in Table 1.

Table 1. Mineralized intercepts at Kozie (above 0.5 g/t Au cut-off).

Trench Number	From (m)	To (m)	Interval (m)	True Width (m)	Gold (g/t)
17-752 (starts from historical interval 17.7 m)	17.7	20.50	2.8	2.6	1.55
	31.00	32.00	1.0	0.9	0.59
	41.00	42.00	1.00	0.9	0.50
	54.0	61.3	7.3	6.9	0.86
	72.0	80.0	8	7.5	1.88
	84.2	101.0	16.8 Inc. 1.6	15.9	2.3 9.4
	104.4	105.0	0.6	0.55	2.97
	108.0	109.3	1.3	1.15	0.54
	111.3	122.0	10.7	10.0	0.75
	163.8	166	2.2	1.9	1.25
17-756	11.50	13.20	1.7	1.7	3.9
17-679 (starts from historical interval 630 m)	697.0	698.0	1.0	0.9	0.78
	700.0	703.0	3.0	2.70	0.87
	710.0	712.2	2.2	2.0	2.45
	741.5	747.0	5.5	5.0	1.06
	754.8	759.0	4.2	3.8	1.05
	808.0	810.0	1.0	0.9	0.75
	831.0	834.0	3.0	2.7	0.88

Zone 23

At Zone 23, four long trenches have been driven in north-south direction aiming to re-excavate historical trenches in the hydrothermally altered granite intrusion, hosting several medium to well-oxidized quartz-tourmaline stockwork zones.

Trench 17-684 was driven from the south to the north for a total length of 179.5 m, exceeding the historical trench by 10 m. It intercepted a linear stockwork, of variable orientation, ranging in strike from 20NNE to 290NNW (Figure 2). Several mineralized intervals were intercepted from the beginning of the trench, with best intercepts of 5.77 g/t Au over 8.5 m, 1.30 g/t Au over 14.1 m, 1.05 g/t Au over 6.0 m, 1.05 g/t Au over 5.8 m and 2.16 g/t Au over 19.3 m among others (Table 2). The mineralization remains open to the north, west and east.

Trench 17-941 was driven from the south to the north over a length of 86.5 m, starting from interval 30 m of historical trench. This trench was designed to test the northern continuation of mineralized zones, intercepted in trench 17-684. It crosscut several mineralized intervals with linear stockwork, changing in strike from 20NNE to 290NNW. Overall results were poorer than in trench 17-684 (Table 2). However, at its southern end, the trench remained in mineralization with 2.15 g/t Au over 4 m and requires further testing in the future.

Trench 17-679 at Zone 23 forms the southern continuation of the same trench that was driven at Kozie. It was excavated from the south to the north over a length of 367.8 m, starting from interval 81.5 m of historical trench, some 200 m west from trenches 17-941 and 17-684. It intercepted several mineralized intervals (Table 2) in oblique direction to the variably oxidized linear stockwork, trending 290WNW and 20-30 NNE.

Trench 17-996 was excavated from the south to the north over a length of 192 m, starting from interval 241 m of historical trench, some 300 m west from trench 17-679. It intercepted several relatively short mineralized intervals in oblique direction to the 290WNW strike direction of the stockwork (Table 2).

Table 2 summarizes all intercepts in the four trenches at Zone 23. Orsu confirmed the extent of mineralization at Zone 23 for at least 500 m from the west to the east. The northern part of Zone 23 is trans-sected by the west-east trending fault, extending here from the Klyuchi pit, where it truncates the gold mineralization. The fault is interpreted to display a dextral strike-slip kinematics, suggesting that Zone 23 could be offset from the Klyuchi orebodies for approximately 1.3 km. The mineralization remains open to the west and east, with best intercepts in the east of this zone. The carefully documented change in strike direction of the documented stockwork indicates a possibility of Z-shaped (Figure 2), rather than linear, mineralized zones at Zone 23, with general north-northwest strike of individual stockwork zones. There is a strong possibility that areas between the newly excavated trenches will be also mineralized. This concept will be tested during the summer program.

Table 2. Mineralized intercepts at Zone 23 (above 0.5 g/t Au cut-off).

Trench Number	**From (m)**	**To (m)**	**Interval (m)**	**True Width (m)**	**Gold (g/t)**
17-684	2.0	3.0	1.0	0.8	0.73
	24.0	32.5	8.5 Inc. 2.0	6.5 1.5	5.77 18.35
	35.5	38.0	2.5	1.7	0.61
	59.6	64.5	4.9	2.7	0.56
	81.2	82.2	1.0	1.0	1.01
	104.5	105.5	1.0	0.8	1.31
	117.9	132.0	14.1	9.0	1.30
	135.0	141.0	6.0	4.8	1.05
	143.0	148.8	5.8	5.2	1.05
	160.2	179.5	19.3	12.0	2.16
17-941	30.0	34.0	4.0	3.0	2.15
	39.0	44.0	5.0	3.2	0.91
	51.5	53.5	2.0	1.2	0.71
	65.0	66.0	1.0	0.6	6.32
	76.0	77.0	1.0	0.8	0.53
	83.0	85.0	2.0	1.6	0.59
	107.0	108.0	1.0	0.8	0.84

Trench Number	From (m)	To (m)	Interval (m)	True Width (m)	Gold (g/t)
17-679 (starts from historical 81.5 m)	83.5	84.5	1.0	0.9	1.64
	119.3	120.0	0.7	0.6	1.58
	122.5	136.1	13.6 Inc. 0.7	11.4	1.09 5.95
	148.9	165.0	16.1	12.2	1.27
	169.0	171.0	2.0	1.7	0.94
	178.5	179.8	1.3	1.0	1.33
	189.5	190.5	1.0	0.7	1.72
	198.5	199.5	1.0	0.7	1.39
	223.5	226.5	3.0	2.6	0.64
	232.4	241.5	9.1	7.7	0.68
	249.5	254.5	5.0	4.0	0.53
	256.9	258.4	1.5	1.3	0.55
	261.8	263.9	2.1	1.7	0.63
	267.0	269.2	2.2	1.8	0.75
	288.0	290.0	2.0	1.7	1.51
	300.9	310.5	9.6	8.2	0.8
	317.5	326.0	8.5	6.8	1.32
	335.0	339.0	4.0	3.0	0.71
	355.5	358.5	3.0	2.4	0.59
	375.3	377.5	2.2	1.8	1.26
	383.4	385.8	2.4	1.9	0.87
	389.0	390.3	1.3	1.0	2.18
	403.5	406.5	3.0	2.5	0.71
17-996 (starts from historical 241.0 m)	280.1	290.0	0.9	0.75	1.12
	330.7	332.5	1.8	1.5	2.06
	335.5	337.5	2.0	1.8	1.24
	359.3	366.0	6.7	5.6	2.21
	368.0	372.0	4.0	4.0	0.67
	377.0	379.0	2.0	2.0	0.55
	383.0				

5.0

Quality Assurance - Quality Control (“QA/QC”)

Thorough QA/QC protocols are followed on the project including insertion of duplicate, blank and standard samples in all trenches. Duplicate samples were inserted after every 20 samples. All standard samples were inserted once per 20 samples. Blanks were also inserted once per 20 samples and consisted of the previously assayed barren granitoid rocks.

Channel samples were submitted directly to the SGS Vostok Limited laboratories in Chita, Russia, which are independent from Orsu, for sample preparation and analysis. Analysis for Au is performed using fire assay method with atomic absorption (AA) finish and with a gravimetric finish for samples exceeding 10 g/t Au. Results published are from the gravimetric finish if above 10 g/t Au and from the AA finish if lower than 10 g/t Au.

Qualified Person

This release and the technical data reported has been reviewed and approved by Alexander Yakubchuk, Director of Exploration of the Company, also a Qualified Person as defined in NI 43-101.

Cautionary Statement:

This news release contains forward-looking statements that are based on the Company's current expectations and estimates. Forward-looking statements are frequently characterized by words such as "plan", "expect", "project", "intend", "believe", "anticipate", "estimate", "suggest", "indicate" and other similar words or statements that certain events or conditions "may" or "will" occur. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that could cause actual events or results to differ materially from estimated or anticipated events or results implied or expressed in such forward-looking statements. There may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Any forward-looking statement 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 statement, whether as a result of new information, future events or results or otherwise. Forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein.

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