

Orosur Mining Inc. Announces Results for the Second Quarter and First Half of Fiscal Year 2010

MONTEVIDEO, Uruguay 14 January, 2010. **Orosur Mining Inc.** ("OMI" or "the Company"), formerly Uruguay Mineral Exploration Inc., today announced results for the second fiscal 2010 quarter and first half ended, November 30, 2009.

David Fowler, Chief Executive Officer commented: "Over the past quarter, our Company, now named Orosur Mining Inc. has made substantial progress in its plan to develop as a Latin American focused gold company. In October, Mario Caron a mining executive with over 30 years of experience in the mining industry in North, Central and South America, Africa and South-East Asia, was appointed Non-Executive Chairman of the Company. In December 2009, we completed infill drilling on the Arenal Deeps deposit enabling OMI to publish the final resource estimate by March 2010 where resource grade is expected to increase significantly. On January 7th we announced the completion of the plan of arrangement by which OMI acquired all of the issued and outstanding common shares of Fortune Valley Resources. This is a major milestone for OMI and significantly improves the Company's growth profile in a recognized mining market such as Chile. Our exploration team has been established in Chile and we plan to commence exploration on one of the newly acquired and high potential projects immediately."

Operating and Financial Summary

- In the second quarter ended November 30, gold production totaled 13,580 ounces, an increase over first quarter production of 13,173, but below Q2 2009's level of 15,837 ounces. High levels of rainfall and lower average grade processed were contributing factors.
- Cash costs for the quarter were \$US 871 compared to \$US 811 same quarter last year largely due to lower production.
- The realized gold price was \$US 1,065 per ounce for the quarter compared to \$US 796 in the corresponding quarter of the prior financial year.
- Cash flow from operations for the quarter was \$US 1,760,000 and the Company's cash position at the end of the quarter was \$US 9,391,000 with net working capital of \$US 20,164,000.
- Definition drilling continued for the Arenal Deeps deposit. The program to date has generally confirmed or increased grade as compared to the April 2009 resource model. The Arenal Deeps resource drilling program was completed and the delivery of the resource model and estimation is on schedule for March, 2010. Arenal Deeps feasibility work is advancing toward scheduled completion in June, 2010.
- The OMI Board was restructured with a new chairman, Mario Caron appointed.
- The Fortune Valley scheme of arrangement was completed subsequent to quarter end.

Key Results ¹		Three Months Ended November 30,		Six Months Ended November 30,	
		2009	2008	2009	2008
Operating Results					
Gold produced	Ounces	13,580	15,837	26,753	32,276
Average cash cost	US\$/oz	871	811	876	801
Average price received	US\$/oz	1,065	796	990	852
Financial Results					
Revenue	\$US '000s	14,811	11,659	27,309	29,380
Net income (loss) for the period	\$US '000s	676	(7,907)	(1,482)	(10,761)
Cash flow from (used) operations ²	\$US '000s	1,760	84	1,790	1,813
Basic earnings per share	\$US	0.014	(0.162)	(0.030)	(0.220)
Cash at the end of the period	\$US '000s	9,391	6,439	9,391	6,439
Total Debt at the end of the period	\$US '000s	7	118	7	118

¹Results are based on Canadian GAAP and expressed in US dollars

²Before non-cash working capital movements

Production and costs

Gold production for the quarter was 13,580 ounces. During the quarter 362,366 tonnes of ore (Q2 08/09 – 303,740) at an average grade of 1.25 g/t (Q2 08/09 – 1.72 g/t) were processed with a 93.6% recovery (Q2 08/09 – 94.2%). The lower head grade for ore processed, when compared to the prior financial year, resulted in lower gold production.

Cash cost per ounce was \$US 871, compared to \$US 811 per ounce for the corresponding quarter of the previous year. Cash cost increased mainly as a consequence of lower gold production, lower silver by-product credits and the elimination of the export refund.

Gold produced for the half was approximately 2,300 ounces (8%) below expectations as the overall grade mined for San Gregorio East was less than modelled and heavy rainfall in the second quarter delayed access to higher grade ore from Veta Sur. The lower grade of ore processed was partly offset by higher throughput and better recoveries. Operating expenses for the half were in line with expectations.

Financial Performance

Net profit after tax for the quarter and year to date have improved when compared to last financial year with a net profit after tax of \$US 676,000 for the quarter and a loss after tax of \$US 1,482,000 for the half year. The Contribution Margin from site operations for the quarter and year to date were \$US 2,456,000 and \$US 3,093,000 respectively.

Despite lower production levels, improved results reflect a higher average gold sales price, the impact of cost reduction initiatives over the past year and lower depreciation charges. Results have been also been positively affected by the profit on the sale of the Company's Montevideo office and reduction in corporate overheads.

Cash flow from operations includes the result from the San Gregorio operation, less the cost of general and administrative expenses, interest and income taxes. During the quarter cash flow from operations before working capital movements was \$US 1,760,000 compared to \$US 84,000 for the corresponding quarter of the previous year. For the six month period ended November 30, 2009, cash flow from operations before working capital movements was \$US 1,790,000 compared to \$US 1,813,000 for the corresponding period of the prior financial year.

Capital expenditure on property, plant and equipment for the quarter was \$US 1,489,000 compared to \$US 584,000 for the corresponding quarter of the prior year, and \$US 4,049,000 for the half compared to \$US 4,457,000 in the corresponding half of the prior financial year. Assets sales for the quarter and half year ended November 30, 2009 was \$US 2,300,000 (the sale of Montevideo office) and \$US 2,564,000 respectively.

The Company's cash position at the end of the quarter was \$US 9,391,000 with net working capital (current assets less current liabilities) of \$US \$US 20,164,000.

Exploration and Development

Arenal Deepes

The Arenal Deepes deposit is the down dip continuation of the Arenal deposit where over 385,000 contained ounces of gold were mined by open pit mining over the past five years. The deposit is located 2.5 kilometers east of OMI's San Gregorio plant. During the quarter the company completed 12,089 meters of definition drilling. Results are highlighted in the following table:

Hole ID	From	Au intercept (>1g/t)
ALDD116	272.2	7.55m @ 3.29g/t
ALDD118	216.5	6.8m @ 6.49g/t
ALDD118	226.3	1.5m @ 9.40g/t
ALDD118	240.0	7.95m @ 1.93g/t
ALDD120	345.3	19.45m @ 7.59g/t
ALDD120	370.4	10.25m @ 5.80g/t
ALDD120	417.0	7.2m @ 2.61g/t
ALDD120	442.4	5.1m @ 2.35g/t
ALDD121	285.2	9.1m @ 1.21g/t
ALDD121	302.9	3.2m @ 1.96g/t
ALDD122	295.9	2.5m @ 8.47g/t
Including	295.9	0.85m @ 22.91g/t
ALRC377	84	2m @ 5.31g/t
ALRC380	129	2m @ 8.14g/t
ALDD122	295.85	2.50m @ 7.95g/t
ALDD123	256.80	7.00m @ 1.40g/t
ALDD125	275.10	4.10m @ 3.09g/t
ALDD127	357.21	2.99m @ 2.83g/t
ALDD127	373.60	3.71m @ 2.14g/t
ALDD127	389.05	15.75m @ 2.36g/t
ALDD128	292.45	1.01m @ 8.40g/t
ALDD128	296.95	6.45m @ 2.89g/t

Hole ID	From	Au intercept (>1g/t)
ALDD128	310.60	14.35m @ 3.04g/t
ALDD129	223.85	6.35m @ 2.46g/t
ALDD129	235.20	14.80m @ 4.05g/t
ALDD130	366.60	4.95m @ 1.50g/t
ALDD130	387.90	4.00m @ 2.50g/t
ALDD131	337.45	6.35m @ 1.55g/t

The intercepts are proving up the initial resource model and in most cases improving continuity of the higher grade shoots which is expected to have a positive impact on the grade of the final resource estimate. Drilling and geological interpretation was completed on 25 meters North-South sections with drill spacing not greater than 50 meters up/down dip on section. The resource definition drilling program was completed in December 2009 and Mine Development Associates have commenced deposit modeling. OMI expects to publish the final resource model and estimate to be published in March 2010. Geotechnical, metallurgy and hydrology studies have also commenced and a final feasibility study is expected to be completed as scheduled in mid 2010.

Results from the final Arenal Deeps drill holes completed in December 2009 are highlighted in the following table

HOLE ID	FROM	intercept (>1g/t)
ALDD132	446.90	14.5m @ 4.33g/t
ALDD132	472.25	3.85m @ 5.41g/t
ALDD132	483.35	3.75m @ 2.44g/t
ALDD133	356.50	13.05m @ 1.86g/t
ALDD134	302.20	1.6m @ 4.93g/t
ALDD135	399.30	3m @ 2.40g/t
ALDD135	408.70	7m @ 1.55g/t
ALDD136	406.10	4.6m @ 3.74g/t
ALDD136	413.70	4m @ 2.17g/t
ALDD136	451.00	4.5m @ 3.54g/t
ALDD137	281.90	5.3m @ 2.79g/t
ALDD138	305.45	1m @ 11.4g/t
ALDD138	309.85	7.75m @ 2.31g/t
ALDD138	321.45	20.3m @ 1.46g/t
ALDD138	347.10	11.35m @ 1.48g/t
ALDD138	364.45	3.75m @ 1.27g/t

Up to 2m of internal waste (>below 1g/t cut)

San Gregorio

The San Gregorio deposit has historically produced in excess of 400,000 ounces of gold from two open pit deposits down to approximately 200 meters vertical depth. The remaining in-situ resource of 8 million tonnes at 1.04 g/t for 270,000 ounces gold lies mainly along strike to the west and at depth between the two pits. Approximately 70,000 ounces of this resource is planned to be mined from the final cutback of the San Gregorio pit.

During the current quarter a drilling program has been designed to extend the current resource down dip to approximately 400 meters vertical depth, infilling where required to identify the higher grade shoots along a mineralized strike of one plus kilometers. The goal of the program is to identify a higher grade core of mineralization adjacent and below the existing pits that, like Arenal Deeps, will be of sufficient grade to justify a second underground ore source.

Pantanillo

The Pantanillo property was acquired, subsequent to quarter end, as part of the acquisition of Fortune Valley Resources Inc. The property is located 125 km east of Copiapo in the Maricunga Belt of Chile on 11,750 hectares. During the quarter a database was compiled based on historical information from Anglo American (1985-1998) and Kinross Gold (2005-2008). Mineralization at Pantanillo is characterized by both gold porphyry style veining and high sulfidation ledges. Anglo American and Kinross have historically drilled more than 17,900 meters on the property with 15,134 meters being drilled on the principal target of Pantanillo Norte. This drilling on Pantanillo Norte was completed over a surface area of approximately 800 meters long by 500 meters wide on a 100 meter regular spaced drill sections. Drilling of other targets on the Pantanillo property include Pantanillo Central and Sur, as well as Quebrada Pantanillo.

As reported by Fortune Valley in their press release dated October 5, 2009 historical geological work on the Pantanillo property by Anglo American (1986-1998) and Kinross Gold (2005-2008) has defined a potential mineral deposit estimated to be in the range of 82 to 125 million tonnes grading 0.83 to 0.73 g/t gold, using a 0.6 to 0.5 g/t gold cut-off for the lower and higher tonnage estimates respectively, which is equivalent to 2.18 to 2.95 million ounces of contained gold. This preliminary assessment was made by Kinross Gold in 2007 and was estimated based on a total of 14,891 meters of reverse circulation drilling and diamond drilling. Internal due diligence by OMI confirms that the assessment by Kinross is reasonable.

OMI is initiating a 7,500 meter resource definition diamond drill program designed to infill and confirm historical drilling on 100 meter section lines. This drill program will focus on the upper oxidized levels down to an average depth of 200 meters. OMI plans to publish a NI 43-101 compliant resource estimate during calendar 2010. OMI is also moving ahead with obtaining proposals for prefeasibility work and plans to initiate studies concurrently with the resource definition drilling program.

Anillo

The Anillo property was acquired, subsequent to quarter end, as part of the acquisition of Fortune Valley. The property is located approximately 125 km east of Antofagasta in Northern Chile, 15 kilometers north of the El Peñon mine operated by Yamana Gold Inc.

Historical work on the property includes surface mapping, geophysics drilling and trenching by Utah Minerals, BHP Billiton, Normany Mining and Codelco. Generally, within the district, vein targets can be identified on surface but are weakly anomalous with blind targets often identified at 100 to 200 meters depth. A number of encouraging anomalous gold values were reported in the vertical drill holes completed by Utah Minerals.

OMI intends to target similar style vein mineralization to that encountered at El Peñon. Detailed surface geologic mapping, as well as rock and soil sampling over favorable host rocks and mapped vein occurrences is planned to commence this quarter with drilling to follow later in the 2010 calendar year.

Subsequent Events

On 8 January, 2010 OMI announced the completion of the plan of arrangement pursuant to which OMI has acquired all of the issued and outstanding common shares of Fortune Valley in consideration for 0.4534 of one UME common share plus C\$0.001 in cash for each common share of Fortune Valley.

Application was been made for the 15,765,638 new common shares in the Company issued pursuant to the Arrangement to be admitted to trading. The 15,765,638 new common shares have commenced trading on AIM and the TSX Venture Exchange. As a result of this issue of new shares pursuant to the Arrangement, the Company's share capital consists of 64,432,706 common shares. The Company does not hold any shares in treasury.

The completion of the Fortune Valley acquisition is a major milestone for OMI and improves the Company's growth profile in a recognized mining market such as Chile. Our exploration team has been established in Chile and drilling is planned to commence on the Pantanillo project during January 2010.

The Company also announced on January 8 that its common shares would commence trading under the name Orosur Mining Inc. The new TIDM of the Company on the London Stock Exchange and symbol on the TSX Venture Exchange is "OMI". The change in name to Orosur Mining Inc, reflects the broader focus of the Company on South American gold development rather than in Mineral Exploration in Uruguay.

Outlook

During the second half of the 2010 financial year OMI will focus on completion of the Arenal Deeps NI 43-101 compliant resource estimate and related feasibility study, remodeling and upgrading the current San Gregorio Resource and on a planned exploration and development program at the newly acquired Pantanillo property in Chile.

Production for the first half was below forecast due to heavy rainfall in the second quarter and the lower grade ore mined. The company is planning for continued lower grade in the second half of the year and has adjusted it's reforecast to 55,000 to 57,500 ounces for the full year. Cash cost per ounce is forecast to be \$US 825, reflecting lower production equivalent to \$US 50 per ounce and higher costs due to exchange rate movements (peso has appreciated 20%), higher fuel prices (increased approximately 20%) and the elimination of export refunds on gold sales.

Qualified Person's Statement

The technical information presented in this press release has been reviewed and verified by Mr. John Sadek, Vice President Operations and a Mining Engineer, and Mr. Devin den Boer, Exploration Manager and a Certified Professional Geologist. Mr. Sadek and Mr. Den Boer are the Qualified Persons for the purposes of the AIM Guidance Note on Mining, Oil and Gas Companies dated June 2009. Mr. Sadek has a Bachelor of Engineering (Mining) from the University of Sydney and is a member of the AusIMM and SME. He has over 20 years of international experience in mining. Mr. den Boer has a Bachelor of Science (Geological Sciences) Degree from the University of British Columbia and is a registered member of APEGBC. He has over 13 years of international experience in minerals exploration.

Forward Looking Statements

This news release may contain certain information that constitutes forward-looking statements. Forward-looking statements are frequently characterized by words such as "plan," "expect," "intend," "believe," "anticipate" and other similar words, or statements that certain events or conditions "may" or "will" occur. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made, and are subject to a variety of risks and uncertainties and other factors that could

cause actual events or results to differ materially from those projected in the forward-looking statements. These factors include the inherent risks involved in the exploration and development of mineral properties and other factors described above and in the Company's most recent annual information form under the heading "Risk Factors" which has been filed electronically by means of the Canadian Securities Administrators' website located at www.sedar.com. The Company disclaims any obligation to update or revise any forward-looking statements if circumstances or management's estimates or opinions should change. The reader is cautioned not to place undue reliance on forward-looking statements.

ENDS

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About Orosur Mining Inc.

Orosur Mining Inc. is a gold producer and exploration company focused on identifying and developing gold projects in Latin America. The Company is a fully integrated mining company, possessing the skills necessary to explore and develop its discoveries. The Company operates the only producing gold mine in Uruguay (San Gregorio), and has assembled an exploration portfolio of high quality assets in Uruguay, Chile and Argentina.

The Company is quoted in Canada (TSX Venture Exchange) and London (AIM) and Matrix Corporate Capital LLP is its Nominated Adviser and Broker.

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Financial Statements Follow

Orosur Mining Inc.
Consolidated Balance Sheets
(Unaudited)

(Thousands of United States Dollars, except where indicated)

	As at	
	November 30, 2009	May 31, 2009
	\$	\$
Assets		
Current assets		
Cash	9,391	9,496
Accounts receivable (Note 3)	3,923	2,899
Inventories (Note 4)	16,375	17,642
Convertible debenture (Note 2)	234	0
Prepaid expenses	974	915
Total current assets	30,897	30,952
Property plant and equipment and mineral properties (Note 5)	14,406	16,953
Deferred exploration (Note 6)	15,185	12,437
Future income tax assets	4,374	3,001
Restricted cash	182	173
Total non current assets	34,147	32,564
Total assets	65,044	63,516
Liabilities and Shareholders' Equity		
Current liabilities		
Accounts payable and accrued liabilities	10,648	7,354
Fair value of derivatives	0	464
Restructure plan	78	250
Debt	7	37
Total current liabilities	10,733	8,105
Asset retirement obligation	2,940	2,862
Total non current liabilities	2,940	2,862
Total liabilities	13,673	10,967
Capital stock	34,642	34,642
Contributed surplus	4,543	4,239
Accumulated other comprehensive income	(19)	(19)
Retained earnings	12,205	13,687
Total shareholders' equity	51,371	52,549
Total liabilities and shareholders' equity	65,044	63,516

Approved by the Board of Directors

"Ignacio Salazar" Director

"David Fowler" Director

Orosur Mining Inc.

Consolidated Statements of Income, other comprehensive income and Retained Earnings
(Unaudited)

(Thousands of United States Dollars except for earnings per share and weighted average number of shares outstanding)

	Three months ended November 30		Six months ended November 30	
	2009	2008	2009	2008
	\$	\$	\$	\$
Net Sales	14,811	11,659	27,309	29,380
Operating expenses	(12,355)	(12,351)	(24,216)	(27,154)
Depreciation	(3,044)	(5,971)	(5,637)	(8,971)
Operating expenses and depreciation	(15,399)	(18,322)	(29,853)	(36,125)
Sub-total	(588)	(6,663)	(2,544)	(6,745)
Other income (expenses)				
Stock based compensation expense	(210)	(249)	(304)	(286)
General and administrative expense	(864)	(1,066)	(1,608)	(2,263)
Non-hedged derivative gain (loss)	0	733	464	(795)
Exploration expenses written off	(371)	0	(371)	0
Net interest loss and debt accretion	(76)	(19)	(147)	(24)
Foreign exchange gain (loss)	6	176	(11)	24
Other income	1,199	41	1,451	163
	(316)	(384)	(526)	(3,181)
Loss before taxes	(904)	(7,047)	(3,070)	(9,926)
Current income taxes recovery	215	1,110	215	1,110
Future income taxes provision	1,365	(1,970)	1,373	(1,945)
Net and comprehensive income (loss) for the period	676	(7,907)	(1,482)	(10,761)
Retained earnings, beginning of period	11,529	25,188	13,687	28,042
Retained earnings, end of period	12,205	17,281	12,205	17,281
Basic and diluted Earnings (loss) per common share (note 10)	0.014	(0.162)	(0.030)	(0.220)
Weighted average shares outstanding				
Basic	48,667,068	48,667,068	48,667,068	48,675,801
Diluted	48,667,068	48,728,268	48,667,068	48,841,801

Orosur Mining Inc.
Consolidated Statements of Cash Flows
(Unaudited)

(Thousands of United States Dollars, except where indicated)

	Three months ended November 30		Six months ended November 30	
	2009	2008	2009	2008
	\$	\$	\$	\$
Operating activities				
Net income (loss) for the period	676	(7,907)	(1,482)	(10,761)
Adjustments for:				
Amortization and depletion	3,044	5,971	5,637	8,971
Fair value of derivatives	0	(733)	(464)	795
Accretion of debt	46	35	78	82
Future income taxes	(1,365)	1,970	(1,373)	1,945
Stock based compensation	210	249	304	286
Asset sales	(1,131)	0	(1,343)	0
Exploration expenses written off	371	0	371	0
Other	(91)	499	62	495
	<u>1,760</u>	<u>84</u>	<u>1,790</u>	<u>1,813</u>
Net change in non-cash working capital balances (Note 9)	365	(2,038)	2,994	(2,615)
	<u>2,125</u>	<u>(1,954)</u>	<u>4,784</u>	<u>(802)</u>
Financing activities				
Payments of finance lease net of draw downs	(9)	(47)	(30)	(94)
Share repurchase	0	0	0	(401)
	<u>(9)</u>	<u>(47)</u>	<u>(30)</u>	<u>(495)</u>
Investing activities				
Purchase of property, plant and equipment and development costs	(1,489)	(584)	(4,049)	(4,457)
Assets sales	2,300	0	2,564	0
Exploration expenditure	(1,694)	(3,327)	(3,374)	(6,408)
	<u>(883)</u>	<u>(3,911)</u>	<u>(4,859)</u>	<u>(10,865)</u>
Increase (Decrease) in cash	1,233	(5,912)	(105)	(12,162)
Cash at the beginning of period	8,158	12,351	9,496	18,601
Cash at the end of period	9,391	6,439	9,391	6,439

Orosur Mining Inc.
Consolidated Statements of Changes in Shareholders' Equity
(Unaudited)
(Thousands of United States Dollars, except where indicated)

	Three months ended November 2009		Six month ended November 2009	
	Number (000's)	Amount (\$)	Number (000's)	Amount (\$)
Common shares				
Balance at beginning of period	48,667	34,642	48,667	34,642
Movement for the period		0		0
Balance at end of period	48,667	34,642	48,667	34,642
Contributed surplus				
Balance at beginning of period		4,333		4,239
Employee stock based compensation recognized		210		304
Balance at end of period		4,543		4,543
Accumulated other comprehensive income				
Balance at beginning of period		(19)		(19)
Movement for the period		0		0
Balance at end of period		(19)		(19)
Retained earnings				
Balance at beginning of period		11,529		13,687
Net loss for the period		676		(1,482)
Balance at end of period		12,205		12,205
Shareholders' equity at end of period		51,371		51,371

