

**Orosur Mining Inc.  
Announces Results for the  
Third Quarter and Nine Months Ended February 28, 2011**

MONTEVIDEO, Uruguay April 14, 2011. **Orosur Mining Inc.** (“OMI” or “the Company”) (TSX VENTURE:OMI) (LSE: OMI), today announces results for the third fiscal 2010/11 quarter and the nine months ended February 28, 2011. All currency is stated in US dollars unless otherwise indicated.

**Highlights:**

**Production**

- Total cash costs down significantly to \$521/oz (versus \$984/oz Q3 2010)
- 2011 FY total cash cost guidance reduced to \$750/oz (from \$825/oz previously)
- Production of 16,573 oz (versus 12,742 oz Q3 2010)
- Revenue of \$21.6 million (versus \$13.2 million Q3 2010)
- Cash flow from operations of \$9.2 million (versus (\$0.1) Q3 2010)

**Development**

- Arenal Deeps permitted and development commenced
- \$5.5 million Line of credit from HSBC Bank
- Sobresaliente - 50,000 tonne trial parcel processed at 90% recoveries (versus current resource estimate which assumed 80%)

**Exploration**

- Positive Sobresaliente drilling – updated NI 43-101 expected in August 2011
- Pantanillo drilling underway – pre-feasibility to be commenced towards end of 2011
- Vaca Muerta – maiden NI 43-101 resource expected in August 2011
- Anillo – to complete target generation for first pass drilling on new targets and deeper drilling on existing targets during May 2011

David Fowler, CEO commented: “Production for the quarter was 16,573 ounces of gold at a total cash cost of \$US 521 per ounce. The significant improvement in cash cost is beyond the Company’s expectations and as a result, the Company is reducing its total cash cost target for the year from \$US 825 to \$US 750 per ounce. The reduction in unit costs has been a consequence of several factors, mainly mining higher grade ore, cost reduction initiatives and increased silver revenues. The Company’s operations generated a contribution margin for the quarter of \$US 12,3 million, which is almost as much as what was generated in the previous six months. We exit the quarter with cash on hand of \$US 15.3 million.”

“We have also been making good progress in Arenal Deeps, positioning the Company financially and operationally to make a success of this project with the contractor mobilized, permits granted, first portal blast in March and a line of credit of \$US 5.5 million obtained from HSBC Bank.”

“The second half of the Sobresaliente drill campaign has returned positive results including:

- 5 meters at 15.37 g/t Au from surface in hole SSDD021 and
- 5 meters at 15.57 g/t Au from 71 meters in hole SSRC058.

Step out drilling has expanded mineralization down dip and along strike and infill drilling has confirmed the continuity of higher grade results between sections. An updated NI 43-101 resource for Sobresaliente is expected to be calculated by August 2011.”

## Results for the Third Quarter and Nine Months Ended February 28, 2011

### Operating and Financial Summary

Key Results Summary <sup>1</sup>		Three Months Ended February 28		Nine Months Ended February 28	
		2011	2010	2011	2010
<b>Operating Results</b>					
Gold produced	Ounces	16,573	12,742	42,086	39,495
Total cash cost	US\$/oz	521	984	699	910
Operating cash cost <sup>3</sup>	US\$/oz	483	939	669	875
Average price received	US\$/oz	1,368	1,110	1,304	1,026
<b>Financial Results</b>					
Revenue	US\$ '000s	21,618	13,152	56,415	40,461
Net income (loss) for the period	US\$ '000s	6,286	(2,920)	12,478	(4,402)
Cash flow from (used by) operations <sup>2</sup>	US\$ '000s	9,242	(112)	19,627	1,678
Cash at the end of the period	US\$ '000s	15,331	7,150	15,331	7,150
Total Debt at the end of the period	US\$ '000s	Negligible	negligible	negligible	negligible

<sup>1</sup>Results are based on Canadian GAAP and expressed in US dollars

<sup>2</sup>Before non-cash working capital movements

<sup>3</sup>Operating cash cost is Total cost discounting royalties and capital gain tax.

### Production and costs

Production, at 16,573 ounces of gold, was above expectations as higher grade ore was mined from Veta Sur and Zapucay.

Total cash costs per ounce (including royalties and other taxes) of gold for the quarter were \$US 521 compared to \$US 984 for same quarter of last year. The significant decrease is due to cost reductions undertaken since 2009, mining higher grade ore, and increased silver revenue. This is a significant achievement in light of the appreciation of the Uruguayan peso against the dollar, local inflation at 7% in the past year, proposed royalty increase and higher fuel prices.

For the nine months, production totalled 42,086 ounces at a total cash costs of \$US 699 (2010 - 39,495 ounces at a total cash costs of \$US 910). Production for the full fiscal year is expected to be 55,000 ounces as announced previously. The cash cost forecast has been reduced from \$US 825 to \$US 750 per ounce for the full fiscal year.

## **Financial Performance**

Total sales for the quarter were \$US 21.6 million compared to \$US 13.2 million for the corresponding period of the previous year. The average gold price for the quarter increased to \$US 1,368 per ounce from \$US 1,110 in the third quarter of the previous year. For the quarter, after-tax profit increased to \$US 6.3 million compared to a loss of \$US 2.9 million in the corresponding period of the prior year. The results for the current quarter include a write down of exploration expenditure of \$US 2.5 million before income tax. Net profit after tax for the 9 months to 28 February 2011 was \$US 12.5 million.

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 generated from operations before working capital movements was \$US 9.2 million compared to \$US 0.1 million used in the corresponding quarter of the previous year.

For the nine month period ended February 28, 2011, cash flow from operations before working capital movements was \$US 19.6 million compared to \$US 1.7 million for the corresponding period of the prior year.

Exploration and development expenditure for the quarter was \$US 2.9 million compared to \$US 2.2 million for the corresponding quarter of the prior year. Exploration and development expenditure for the nine month period amounted to \$US 7.0 million compared to \$US 5.6 million in the corresponding period of the prior financial year. Purchase of property plant and equipment was \$US 5.1 million for the quarter and \$US 7.7 million year to date with \$US 5.2 million spent on the Arenal Deeps project.

The Company's cash position at the end of the quarter was \$US 15.3 million, increasing by \$US 1.4 million since November 30, 2010.

On March 16, 2011 the Company announced that it had entered into a credit facility with HSBC. The facility is for \$US 5.5 million to fund the purchase of equipment for Arenal Deeps, and was signed on the following terms:

- Security over new mobile equipment purchased for Arenal Deeps.
- Interest rate of LIBOR + 3.25%.
- Scheduled duration of 3 years.

## **Arenal Deeps**

On December 21, 2010, the Company announced the approval of the Arenal Deeps project by its Board of Directors and the execution of a Letter of Intent with Redpath Chilena Construcciones y Compañía Limitada ("Redpath"), a member of the Redpath Group of companies, for the mining development contract.

During the quarter Redpath mobilized its team and the Company purchased and commissioned the main equipment necessary to commence development. As announced on March 18, 2011 environmental and mining permits, necessary to commence development were granted and development commenced. Since commencing development productivity and ground conditions have been as expected and good progress has been made with in excess of 50 meters advancement on the main access decline.

A permit was also granted to allow the Company to commence construction of its second tailings storage facility, which is adjacent to and an extension of the existing facility and will have a total nominal capacity of approximately 8 million tonnes of tailings. Final permits will be required before the end of 2011 to enable the new facility to commence operations.

## Exploration and Development

### Sobresaliente

The Sobresaliente project is located 5 km North of the San Gregorio Operation and comprises four discrete orebodies: North, Central, South and East. The mineralization appears to be located at the intersection of two regional structural trends where deformation has produced intense cataclasis and brecciation. Wide zones in excess of 100 meters of veined / stock work granitoids are present and the overall mineralized trend is nearly 1.2 km long.

A combined RC-DD drilling programme was completed during the quarter to infill known mineralization, test for along-strike extensions of the known ore bodies, test for the possibility of a bulk tonnage-low grade operation, improve the category of the resource and locally check the geologic and structural model. A total of 8,955 meters (60 holes for a total of 6,140 meters of reverse circulation ("RC") drilling in 24 holes for a total of 2,815 meters of diamond drilling ("DD") has been drilled.

The best results from this drill campaign are reported in the following tables

#### Results not previously released

<b>Zone</b>	<b>Hole id</b>	<b>From (m)</b>	<b>Intercept (m @ g/t)</b>	<b>Notes</b>
Central	SSDD021	0	<b>5 @ 15.37</b>	
Central	SSDD021	96,85	<b>20.65 @ 1.06</b>	incl 2.05m @ 3.79 g/t
Central	SSRC052	101	<b>5 @ 3.97</b>	incl 2m @ 7.58 g/t
Central	SSRC054	51	<b>2 @ 8.81</b>	incl 1m @ 17.07 g/t
Central	SSRC075	17	<b>7 @ 2.96</b>	incl. 2m @ 9.10 g/t
Central	SSRC075	31	<b>7 @ 3.95</b>	incl. 2m @ 11.39 g/t
Central	SSRC075	45	<b>2 @ 3.87</b>	incl. 1m @ 5.60 g/t
East	SSDD027	85	<b>8.3 @ 1.55</b>	incl 1m @ 4.40 g/t
East	SSRC049	1	<b>9 @ 1.30</b>	
East	SSRC060	54	<b>16 @ 1.03</b>	incl 1m @ 3.45 g/t
East	SSRC061	1	<b>13 @ 0.90</b>	
East	SSRC066	43	<b>14 @ 1.56</b>	incl. 1m @ 6.17 g/t
East	SSRC066	80	<b>4 @ 2.22</b>	incl. 1m @ 3.02 g/t
East	SSRC069	7	<b>2 @ 5.39</b>	incl. 1m @ 8.83 g/t
East	SSRC070	0	<b>2 @ 2.35</b>	
East	SSRC071	73	<b>2 @ 2.31</b>	incl. 1m @ 3.99 g/t
North	SSDD024	207	<b>1.25 @ 3.45</b>	
North	SSDD025	48	<b>2 @ 2.79</b>	incl 1m @ 4.36 g/t
North	SSDD025	121	<b>1 @ 4.38</b>	
North	SSDD025	164,95	<b>13.05 @ 1.08</b>	<b>incl 1m @ 3.09 g/t</b>
North	SSDD025			<b>incl 1m @ 3.89 g/t</b>
North	SSDD025	192	<b>3.8 @ 1.18</b>	

North	SSDD026	21	<b>2 @ 4.45</b>	incl 1m @ 8.36 g/t
North	SSDD026	60	<b>2 @ 2.44</b>	incl 1m @ 4.00 g/t
North	SSDD026	65	<b>1 @ 4.44</b>	
North	SSDD026	247	<b>1 @ 137.87</b>	
North	SSDD026	257,3	<b>11.45 @ 1.03</b>	
North	SSDD030	145,4	<b>23.9 @ 1.103</b>	incl 1.7m @ 4.67 g/t
North	SSDD030	175,8	<b>1 @ 14.070</b>	
North	SSRC068	70	<b>15 @ 2.77</b>	incl. 2m @ 14.70 g/t
North	SSRC074	73	<b>6 @ 1.74</b>	incl. 1m @ 3.28 g/t
North	SSRC074	87	<b>2 @ 2.37</b>	incl. 1m @ 4.29 g/t
South	SSDD016	60	<b>1 @ 3.54</b>	
South	SSDD023	115	<b>4 @ 2.78</b>	incl 1m @ 8.03 g/t
South	SSDD023	123	<b>3 @ 2.37</b>	incl 1m @ 5.70 g/t
South	SSDD028	58	<b>7 @ 2.39</b>	incl 1m @ 11.67 g/t
South	SSDD028	68	<b>11 @ 1.53</b>	incl 1m @ 3.35 g/t
South	SSDD028	100	<b>2 @ 1.735</b>	
South	SSDD031	19,5	<b>4.2 @ 1.33</b>	incl 1.2m @ 3.6 g/t
South	SSDD031	43	<b>11 @ 1.05</b>	incl 2m @ 4.07 g/t
South	SSRC057	38	<b>12 @ 0.86</b>	
South	SSRC058	71	<b>5 @ 15.57</b>	incl. 1m @ 70.90 g/t

Results released previously on February 14, 2011

<b>Zone</b>	<b>Hole</b>	<b>From (m)</b>	<b>Intercept (m @ g/t)</b>	<b>Notes</b>
Central	SSRC023	20	<b>6 @ 1.97</b>	incl. 1m @ 7.50 g/t
Central	SSRC029	28	<b>4 @ 2.90</b>	incl. 1m @ 4.43 g/t
Central	SSRC035	61	<b>4 @ 1.90</b>	incl. 1m @ 4.05 g/t
Central	SSRC035	122	<b>4 @ 2.74</b>	incl. 2m @ 4.53 g/t
Central	SSRC039	66	<b>4 @ 3.52</b>	incl. 2m @ 6.55 g/t
Central	SSRC039	84	<b>5 @ 14.80</b>	incl. 1m @ 6.87 g/t
Central	SSRC039	84		incl. 1m @ 64.29 g/t
Central	SSRC040	61	<b>2 @ 4.22</b>	
Central	SSRC042	35	<b>6 @ 4.19</b>	incl. 1m @ 21.73 g/t
East	SSRC016	59	<b>4 @ 1.92</b>	incl. 1m @ 3.86 g/t
East	SSRC045	157	<b>23 @ 1.64</b>	incl. 1m @ 4.02 g/t
East	SSRC045	157		incl. 1m @ 3.34 g/t
East	SSRC045	157		incl. 1m @ 4.08 g/t
North	SSRC038	111	<b>3 @ 2.49</b>	incl. 1m @ 4.42 g/t
South	SSRC027	21	<b>4 @ 1.92</b>	incl. 1m @ 5.20 g/t
Central	SSDD007	0	<b>12 @ 2.76</b>	incl. 4m @ 6.90 g/t
Central	SSDD007	17	<b>3.65 @ 1.74</b>	incl 0.5m @ 9.00 g/t
Central	SSDD019	38,25	<b>7.5 @ 2.10</b>	incl 0.75m @ 4.19 g/t
Central	SSDD019	38,25		incl 1m @ 7.33 g/t
South	SSDD008	81	<b>4.50 @ 2.05</b>	incl 0.5m @ 14.76 g/t

#### Notes

Weighted intercept grades were calculated using an external cutoff of 0.4g/t Au and up to 2 meters of internal dilution is reported. Samples were processed using OMI's in house laboratory using fire assay with atomic absorption finish. For quality control purposes 5% of samples are re-analyzed at external laboratories.

Gold results have been completely reported for all reverse circulation and diamond drill holes. Significant additional mineralization has been intercepted both down dip and along strike. Infill drilling has also confirmed the continuity of higher grade mineralization between sections.

During March a trial parcel of approximately 50,000 tonnes of Sobresaliente ore was processed through the San Gregorio plant. Recoveries at 90% on this material were better than expected. Previous resource estimates were calculated assuming an 80% recovery.

Information is being compiled to allow an independent NI 43-101 compliant resource estimate to be made. This estimate is expected to be complete by August 2011.

#### Pantanillo (Chile)

During the quarter the company commenced a 5,000 meter drill programme with approximately 30 drill holes planned to be completed by the end of April 2011. The programme is designed to test a number of near surface oxide targets and complete additional infill drilling of sulfide targets at depth on Pantanillo Norte. The targets to be tested include

- Pantanillo Sur silver breccia
- High sulfidation oxide vein targets around Pantanillo Norte
- Strike extension of Pantanillo Norte to North West
- Deeper sulphide mineralisation at Pantanillo Norte

Historical trenching by Anglo American Norte S.A. at Pantanillo Sur returned Silver (Ag) intervals of 40m @ 311g/t Ag and 16m @ 693g/t Ag.

Historical shallow Diakore drilling by Anglo American Norte S.A. at Pantanillo Sur returned results including 11.0m @ 1545g/t Ag and 5.0m @ 2015g/t Ag. Deeper diamond drilling included 12.0m @ 31g/t Au and 13.0m @ 55g/t Ag.

During the quarter the Company completed 766 meters of reverse circulation drilling at Pantanillo Sur and assay results included:

HOLE ID	Intercept (> 10 g/t Ag)	From
PNS-11-04RC	62 m @ 14.90 g/t	12 m
PNS-11-09RC	29 m @ 69.90 g/t	0 m
PNS-11-09RC	22 m @ 10.14 g/t	55 m
PNS-11-10RC	10 m @ 28.00 g/t	51 m

Results have been received for 6 holes drilled during the quarter to test one of two high sulfidation ledge targets in Pantanillo Norte and the best interval was 15 meters at 1.1 g/t Au from 84 meters.

Metallurgical testwork, utilizing samples obtained from this season drilling campaign, is going to be performed during the 2011 calendar year to confirm the process route. A Pre-feasibility study is planned to be commenced towards the end of calendar 2011 following the completion of metallurgical testing. In the meantime, baseline data collection continues to be undertaken to support the project environmental permitting process.

### Anillo (Chile)

The Company completed a first pass drill campaign of 16 reverse circulation drill holes for a total of 2,497 meters at the Anillo project during the quarter. The drilling targeted anomalous geochemistry in rock and trench sampling combined with magnetic and VLF anomalies from geophysical surveys completed in October 2010.

Anomalous Ag and Au values (maximum 0.37 ppm for Au and 6 ppm for Ag) were intercepted over several meters in holes drilled in two different sectors located to the north and east of Yamana's neighboring Pampa Victoria discovery. This drilling confirmed the presence of high level, low temperature epithermal mineralization at shallow depths below surface.

The Company is planning a follow-up drill campaign including several deep holes (up to 500 meters depth) drilled in fences to test for mineralized N/S oriented structures at depth. This decision is based on the knowledge that ore grade epithermal veins in the district are characteristically deep and often blind with only weak near-surface manifestations albeit with characteristic geochemical signatures.

Two new sectors (central and west) at the Anillo project are currently being mapped in detail and a high density surface geochemical survey is underway. Ground magnetic surveys and trenching are expected to be completed in mid April. The company expects to complete target generation for first pass drilling, in combination with the drilling mentioned above, during May 2011

### Vaca Muerta (Uruguay)

The Company completed a 2,736 meter drill programme in December 2010 at the Vaca Muerta project located approximately 85km east (by existing roads) of the San Gregorio plant. A preliminary internal non NI 43-101 resource model has been prepared and will be used to target additional infill and extension drilling to allow the completion of an independent NI 43-101 compliant resource by August 2011.

The Company has begun initial metallurgical tests to fast track the project. Preliminary cyanidation testwork has shown that gold recoveries are expected to be at the same levels as the other San Gregorio regional ore types, ie above 90%. Cyanide consumption and grinding size to achieve such recoveries are also expected to be the same as for other San Gregorio ore types.

Additional detailed surface mapping and soil sampling began in January covering the entire Vaca Muerta property. Special attention is being given to strike extensions to the NW and SE of the Vaca Muerta deposit as well as to the north and south where several reconnaissance geochemical anomalies are known.

Additional drilling planned for June, 2011 will include definition drilling at Vaca Muerta as well as testing of new geochemical targets that are expected to be generated.

### Other Projects (Uruguay)

The Company continues exploration on several other properties located in southern Uruguay. The Company will start a 1,500 meter infill drill campaign at Crucera in April 2011 and complete a measured and indicated NI 43-101 resource estimate on this deposit by the end of fiscal 2011. First pass exploration drilling has also been planned for the Rocha and Texas projects in southern Uruguay. Some 2,000-2,500 meters has been dedicated to each project and drilling will begin in May 2011.

## **Qualified Person's Statement**

The information presented in this press release has been reviewed by William F. Lindqvist, a director of OMI, and Mr. Randall Corbett, general manager, San Gregorio, and is considered to be in compliance with NI 43-101 reporting guidelines. Dr. Lindqvist holds a Ph.D. in Applied Geology from Imperial College, London, has been a member of the AusIMM for 46 years, and has had 40 years of experience in international minerals exploration and property evaluation. Mr. Corbett has a Bachelor of Engineering (Mining) Degree from Technical University of Nova Scotia (T.U.N.S.), is a Professional Engineer (P. Eng.) registered in the Province of Ontario and has more than 25 years operational, engineering and development experience.

## **Forward Looking Statements**

All statements, other than statements of historical fact, contained or incorporated by reference in this news release, including any information as to the future financial or operating performance of the Company, constitute "forward-looking statements" within the meaning of certain securities laws, including the "safe harbour" provisions of the Securities Act (Ontario) and the United States Private Securities Litigation Reform Act of 1995 and are based on expectations estimates and projections as of the date of this news release. There can be no assurance that such statements will prove to be accurate, such statements are subject to significant risks and uncertainties, and actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements include, without limitation success of exploration activities; permitting time lines; the failure of plant; equipment or processes to operate as anticipated; accidents; labour disputes; requirements for additional capital title disputes or claims and limitations on insurance coverage. The Company disclaims any intention or obligation to update or revise any forward looking statements whether as a result of new information, future events and such forward-looking statements, except to the extent required by applicable law.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

## **About Orosur Mining Inc.**

Orosur Mining Inc. is a fully integrated gold producer and exploration company focused on identifying and developing gold projects in Latin America. The Company operates the only producing gold mine in Uruguay (San Gregorio), and has assembled an exploration portfolio of high quality assets in Uruguay and Chile. The Company is quoted in Canada (TSX-Venture Exchange: OMI) and London (AIM: OMI).

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**Financial Statements Follow**

**Orosur Mining Inc.**  
**Consolidated Balance Sheets**  
**(Unaudited)**

(Thousands of United States Dollars, except where indicated)

	As at	
	February 28, 2011	May 31, 2010
	\$	\$
<b>Assets</b>		
<b>Current assets</b>		
Cash	15,331	8,691
Accounts receivable (note 2)	3,480	2,351
Inventories (note 3)	17,933	18,090
Prepaid expenses	1,113	1,220
Short term investments	90	0
<b>Total current assets</b>	<b>37,947</b>	<b>30,352</b>
Property plant and equipment and mineral properties (note 4)	22,829	18,757
Deferred exploration (note 5)	26,882	24,850
Future income tax assets	4,583	4,181
Restricted cash	214	191
<b>Total non current assets</b>	<b>54,508</b>	<b>47,979</b>
<b>Total assets</b>	<b>92,455</b>	<b>78,331</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities (note 2)	12,717	11,510
Current portion of long term debt	19	19
<b>Total current liabilities</b>	<b>12,736</b>	<b>11,529</b>
Long term debt	0	14
Future income tax liability	1,774	1,774
Asset retirement obligation	2,598	2,954
<b>Total non current liabilities</b>	<b>4,372</b>	<b>4,742</b>
<b>Total liabilities</b>	<b>17,108</b>	<b>16,271</b>
Capital stock	42,674	42,344
Contributed surplus	5,126	4,647
Accumulated other comprehensive income	(19)	(19)
Retained earnings	27,566	15,088
<b>Total shareholders' equity</b>	<b>75,347</b>	<b>62,060</b>
<b>Total liabilities and shareholders' equity</b>	<b>92,455</b>	<b>78,331</b>

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 February 28		Nine months ended February 28	
	2011	2010	2011	2010
	\$	\$	\$	\$
<b>Net Sales</b>	<b>21,618</b>	13,152	<b>56,415</b>	40,461
Operating expenses	<b>(9,294)</b>	(12,173)	<b>(31,075)</b>	(36,389)
Depreciation	<b>(2,016)</b>	(2,228)	<b>(5,631)</b>	(7,865)
<b>Operating expenses and depreciation</b>	<b>(11,310)</b>	(14,401)	<b>(36,706)</b>	(44,254)
<b>Sub-total</b>	<b>10,308</b>	(1,249)	<b>19,709</b>	(3,793)
<b>Other income (expenses)</b>				
Stock based compensation expense	<b>(164)</b>	(73)	<b>(585)</b>	(377)
General and administrative expense	<b>(973)</b>	(930)	<b>(2,786)</b>	(2,538)
Derivative gain (loss)	<b>0</b>	0	<b>(212)</b>	464
Exploration expenses	<b>(74)</b>	0	<b>(391)</b>	0
Exploration expenses written off	<b>(2,489)</b>	(11)	<b>(2,489)</b>	(382)
Net interest and rehabilitation accretion	<b>(89)</b>	(43)	<b>(161)</b>	(190)
Foreign exchange gain (loss)	<b>(28)</b>	(73)	<b>123</b>	(84)
Gain on sale of assets	<b>1,531</b>	0	<b>1,653</b>	1,215
Other income	<b>102</b>	33	<b>386</b>	269
	<b>(2,184)</b>	(1,097)	<b>(4,462)</b>	(1,623)
<b>Profit (loss) before taxes</b>	<b>8,124</b>	(2,346)	<b>15,247</b>	(5,416)
Future income taxes recovery (provision)	<b>(1,838)</b>	(574)	<b>(2,769)</b>	1,014
<b>Net and comprehensive profit (loss) for the period</b>	<b>6,286</b>	(2,920)	<b>12,478</b>	(4,402)
<b>Retained earnings, beginning of period</b>	<b>21,280</b>	12,205	<b>15,088</b>	13,687
<b>Retained earnings, end of period</b>	<b>27,566</b>	9,285	<b>27,566</b>	9,285
<b>Basic and diluted earnings (loss) per common share (note 10)</b>	<b>0.10</b>	(0.05)	<b>0.19</b>	(0.08)
<b>Weighted average shares outstanding</b>				
Basic	<b>65,195,333</b>	59,177,493	<b>64,978,650</b>	52,170,543
Diluted	<b>66,464,577</b>	59,177,493	<b>65,406,469</b>	52,170,543

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

(Thousands of United States Dollars, except where indicated)

	Three months ended February 28		Nine months ended February 28	
	2010	2010	2010	2010
	\$	\$	\$	\$
<b>Operating activities</b>				
Net profit (loss) for the period	6,286	(2,920)	12,478	(4,402)
Adjustments for:				
Depreciation	2,016	2,228	5,631	7,865
Fair value of derivatives	0	0	0	(464)
Accretion of asset retirement obligation	45	35	134	113
Future income taxes	(668)	574	(402)	(799)
Stock based compensation	164	73	585	377
Gain on sale of assets	(1,015)	0	(1,134)	(1,343)
Exploration expenses written off	2,489	11	2,489	382
Other	(75)	(113)	(154)	(51)
	<u>9,242</u>	<u>(112)</u>	<u>19,627</u>	<u>1,678</u>
Net change in non-cash working capital balances (Note 10)	(981)	1,220	342	4,214
	<u>8,261</u>	<u>1,108</u>	<u>19,969</u>	<u>5,892</u>
<b>Financing activities</b>				
Debt proceeds (payments)	(5)	34	(14)	4
Proceed from the issue of shares	97	0	224	0
	<u>92</u>	<u>34</u>	<u>210</u>	<u>4</u>
<b>Investing activities</b>				
Purchase of property, plant and equipment and development costs	(5,085)	(1,191)	(7,671)	(5,240)
Proceeds from the sale of assets	1,035	8	1,160	2,572
Exploration expenditure	(2,911)	(2,200)	(7,028)	(5,574)
	<u>(6,961)</u>	<u>(3,383)</u>	<u>(13,539)</u>	<u>(8,242)</u>
<b>Increase (Decrease) in cash</b>	<b>1,392</b>	<b>(2,241)</b>	<b>6,640</b>	<b>(2,346)</b>
Cash at the beginning of period	13,939	9,391	8,691	9,496
<b>Cash at the end of period</b>	<b>15,331</b>	<b>7,150</b>	<b>15,331</b>	<b>7,150</b>

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

	Three months ended February 2011		Nine months ended February 2011		Financial year ended May 2010	
	Number (000's)	Amount (\$)	Number (000's)	Amount (\$)	Number (000's)	Amount (\$)
<b>Common shares</b>						
Balance at beginning of period	65,107	42,552	64,796	42,344	48,667	34,642
Issued for Fortune Valley acquisition	0	0	0	0	15,766	7,628
Exercise of stock options	100	122	411	330	363	74
Balance at end of period	65,207	42,674	65,207	42,674	64,796	42,344
<b>Contributed surplus</b>						
Balance at beginning of period		4,987		4,647		4,239
Employee stock based compensation recognized		164		585		407
Issued for Fortune Valley acquisition		0		0		25
Transfer to common shares		(25)		(106)		(24)
Balance at end of period		5,126		5,126		4,647
<b>Accumulated other comprehensive income</b>						
Balance at beginning of period		(19)		(19)		(19)
Movement for the period		0		0		0
Balance at end of period		(19)		(19)		(19)
<b>Retained earnings</b>						
Balance at beginning of period		21,280		15,088		13,687
Net income for the period		6,286		12,478		1,401
Balance at end of period		27,566		27,566		15,088
Shareholders' equity at end of period		75,347		75,347		62,060