

Orosur Mining Inc. – First Quarter 2021 Results

London, October 19, 2020. Orosur Mining Inc. (“Orosur” or “the Company”) (TSX: OMI) (AIM: OMI) announces the unaudited results for the quarter ended August 31, 2020. All dollar figures are stated in US\$ unless otherwise noted. The unaudited condensed financial statements of the Company for the quarter ended August 31, 2020 and the related management’s discussion and analysis have been filed and are available for review on the SEDAR website at www.sedar.com. And they are also available on the Company’s website at www.orosur.ca.

Highlights

- As announced on September 3, 2020, an additional cash payment of \$500k, in addition to the \$500k received in March 2020, was received by the Company from Newmont Colombia, in connection with maintaining its earn-in rights pursuant to the Exploration Agreement.
- As announced on 30th September 2020, Newmont Corporation, entered into a Joint Venture with Agnico whereby the two companies will jointly assume and advance Newmont’s prior rights and obligations with respect to the Anzá Project in Colombia on a 50:50 basis, with Agnico as operator of the Joint Venture which is named Monte Aguila.
- Initial funding of approximately \$650k was received by Minera Anzá on October 2, 2020 from Agnico to restart the exploration program. This funding is to be directed solely to fund exploration on the Anzá Project for the 12 month period starting September 7, 2020 and is the first contribution of the required US\$4m of expenditure for this 12 month period per the terms of the Exploration Agreement.
- This funding is not related to the payment in lieu, for the shortfall of qualifying expenditure for the previous 12 month period ended September 6, 2020. The payment in lieu, which amounts to \$582k is payable no later than November 7, 2020.
- In Uruguay, the Company’s wholly owned subsidiary, Loryser, has focused its activities on the implementation of the Creditors Agreement and the sale of its Uruguayan assets. Loryser is also continuing with the reclamation and remediation of the tailings dam.
- On August 6, 2020, the Company sold its mining and exploration permits in the San Gregorio Project area of Uruguay to Kiwanda Group LLC for an aggregate cash consideration of \$550k of which \$250k was received on completion and a further \$300k is payable on August 1, 2021.
- On August 31, 2020, the Company had a cash balance of \$356k (May 31, 2020 \$782k). As at the date of this announcement the Company had a cash balance of \$630k.
- On July 17, 2020 Brad George was appointed Chief Executive Officer and Thomas Masney was appointed as a non-executive director, replacing Ignacio Salazar and HD Lee respectively.

Strategy and outlook

During the first quarter ended August 31, 2020 the Board has continued to apply its strategic plan to recapitalize and transform the Company by advancing its Anzá Project in Colombia (with Newmont and Agnico as partners), whilst progressing other opportunities, as well as finding a fair solution in Uruguay for all stakeholders.

As explained above, Newmont, and its new partner in the Anza project, Agnico, will need to spend \$4 million on the Anza project between now and September 2021, to maintain its earn-in rights in the project, which should lead to an acceleration in the exploration and appraisal of the project in the coming year.

In Uruguay, the Company wholly owned subsidiary, Loryser is well advanced in the sale of its assets in Uruguay and with the reclamation and remediation of the tailings dam.

For further information, please contact:

Orosur Mining Inc

Louis Castro, Chairman,
Brad George, CEO
info@orosur.ca
Tel: +1 (778) 373-0100

SP Angel Corporate Finance LLP – Nomad & Broker

Jeff Keating / Caroline Rowe
Tel: +44 (0) 20 3 470 0470

Flagstaff Communications

Tim Thompson
Mark Edwards
Fergus Mellon
orosur@flagstaffcomms.com Tel: +44 (0)207 129 1474

About Orosur Mining Inc.

Orosur Mining Inc. (TSX: OMI; AIM: OMI) is a precious metals developer and explorer focused on identifying and advancing gold projects in South America. The Company operates in Colombia and Uruguay.

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation ("MAR"). Upon the publication of this announcement via Regulatory Information Service, this inside information is now considered to be in the public domain.

Forward Looking Statements

All statements, other than statements of historical fact, contained in this news release constitute "forward looking statements" within the meaning of applicable securities laws, including but not limited to the "safe harbour" provisions of 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.

Forward-looking statements include, without limitation, the exploration plans in Colombia and the funding from Monte Águila of those plans, Monte Águila's decision to continue with the Exploration and Option agreement, the ability for Loryser to continue and finalize with the remediation in Uruguay, the ability to implement the Creditors' Agreement successfully as well as continuation of the business of the Company as a going concern and other events or conditions that may occur in the future. The Company's continuance as a going concern is dependent upon its ability to obtain adequate financing, to reach profitable levels of operations and to reach a satisfactory implementation of the Creditor's Agreement in Uruguay. These material uncertainties may cast significant doubt upon the Company's ability to realize its assets and discharge its liabilities in the normal course of business and accordingly the appropriateness of the use of accounting principles applicable to a going concern. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such forward-looking statements. Such statements are subject to significant risks and uncertainties including, but not limited, those as described in Section "Risks Factors" of the MD&A and the Annual Information Form. 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.

Orosur Mining Inc.**Condensed Interim Consolidated Statements of Financial Position****(Expressed in thousands of United States dollars)****Unaudited**

	As at August 31, 2020	As at May 31, 2020
ASSETS		
Current assets		
Cash and cash equivalents	\$ 356	\$ 782
Accounts receivable and other assets	119	130
Assets held for sale of Uruguay	2,891	3,081
Total current assets	3,366	3,993
Non-current assets		
Property, plant and equipment	70	72
Exploration and evaluation assets	6,582	6,479
Total assets	\$ 10,018	\$ 10,544
LIABILITIES AND (DEFICIT)		
Current liabilities		
Accounts payable and accrued liabilities	\$ 314	\$ 313
Liabilities of Chile discontinued operation	2,014	2,010
Liabilities held for sale of Uruguay	18,244	17,389
Total current liabilities	20,572	19,712
Deficit		
Share capital	65,670	65,670
Shares held by Trust	(380)	(380)
Contributed surplus	5,991	5,987
Currency translation reserve	(2,050)	(2,016)
Deficit	(79,785)	(78,429)
Total deficit	(10,554)	(9,168)
Total liabilities and deficit	\$ 10,018	\$ 10,544

Orosur Mining Inc.**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss****(Expressed in thousands of United States dollars)****Unaudited**

	Three Months Ended August 31, 2020	Three Months Ended August 31, 2019
		(Restated Note 1)
Operating expenses		
Corporate and administrative expenses	\$ (253)	\$ (362)
Exploration expenses	(21)	(38)
Other income	8	-
Net finance cost	(1)	(1)
Loss on fair value of financial instrument	-	(12)
Net foreign exchange loss	(14)	3
Net loss for the period for continued operations	\$ (281)	\$ (410)
Other comprehensive loss		
Cumulative translation adjustment	\$ (34)	\$ (117)
Total comprehensive loss for the period from continued operations	(315)	(527)
Income (loss) from discontinued operations	(1,075)	117
Total comprehensive loss for the period	(1,390)	(410)
Basic and diluted net loss per share for continued operations	\$ (0.00)	\$ (0.00)
Basic and diluted net loss per share for discontinued operations	\$ (0.01)	\$ 0.00
Weighted average number of common shares outstanding	160,278	150,278

Orosur Mining Inc.

Condensed Interim Consolidated Statements of Cash Flows (Expressed in thousands of United States dollars) Unaudited

	Three Months Ended August 31, 2020	Three Months Ended August 31, 2019
		(Restated Note 1)
Operating activities		
Net loss for the period	\$ (1,356)	\$ (293)
Adjustments for:		
Share-based payments	4	6
Fair value of financial instrument	-	12
Gain on sale of property, plant and equipment	(140)	(253)
Foreign exchange and other	559	(64)
Changes in non-cash working capital items:		
Accounts receivable and other assets	(98)	68
Inventories	145	106
Accounts payable and accrued liabilities	316	(453)
Net cash used in operating activities	(570)	(871)
Investing activities		
Proceeds received for sale of property, plant and equipment	140	330
Proceeds received from exploration and option agreement	-	500
Exploration and evaluation expenditures	(150)	(57)
Net cash (used in) provided by investing activities	(10)	773
Net Change in cash and cash equivalents	(580)	(98)
Net change in cash classified within assets held for sale	154	134
Cash and cash equivalents, beginning of period	782	512
Cash and cash equivalents, end of period	\$ 356	\$ 548
Operating activities		
- continued operations	(276)	(407)
- discontinued operations	(294)	(464)
Investing activities		
- continued operations	(150)	443
- discontinued operations	140	330

Note 1 Restatement of previously reported financial statements

The Company has restated the statements of loss and comprehensive loss, statements of equity, and statements of cash flow to reflect year ended May 31, 2020 adjusting journal entry which is applicable to the three months ended August 31, 2019. All information with respect to adjusted comparative figures were restated to reflect the year end journal entry. In the three months ended August 31, 2019 financial statements this fee of \$500 was originally shown on the unaudited condensed interim consolidated statements of loss as "Other Income". After deliberation and a review of industry practice, it has been determined that a more appropriate treatment is to set off this fee, and any future such fees, against the Exploration and Evaluation Assets on the balance sheet.