

[Orosur Mining Inc.](#) ("Orosur" or the "Company") (TSX/AIM: OMI), a South America-focused gold producer, developer and explorer, is pleased to announce that it has conditionally raised gross proceeds of approximately C\$4.0 million (US\$3.2 million) through a placing and subscription of 16,740,502 new Common Shares of no par value (the "Subscription Shares" or "New Common Shares") at a price of C\$0.241 (14.7p per share*) per Subscription Share ("Subscription Price") (together the "Subscription"), together with a grant of unlisted warrants over new Common Shares ("Subscription Warrants") on the basis of one Subscription Warrant for every two Subscription Shares.

Highlights

- The Subscription Price was negotiated and agreed in principle on August 1st, 2017 and was based on a 5% premium to the 5-day VWAP of the Company's shares trading on the TSX ending August 1st, 2017
- The Subscription was oversubscribed
- Each full Subscription Warrant entitles the holder to purchase a Common Share at a price of C\$0.337 on or before August 14th, 2020
- The net proceeds of this Subscription are intended to be deployed for drilling and associated activities at the Company's highly prospective Anzá gold project in Colombia
- Cash flow from existing operations in Uruguay can now be fully concentrated on both growing production in Uruguay and extending life of mine
- Concurrent with the financing, the Company is pleased to announce the appointment of Numis Securities Limited as its joint broker with immediate effect alongside its existing nomad and broker, Cantor Fitzgerald Europe

Background to and Reasons for the Subscription

As announced on June 20th, 2017, for the year ending May 31st, 2017 the Company produced 35,371 ounces of gold, with operating cash costs expected to be within its guidance of US\$800-US\$900 per ounce. The Company expects production from the San Gregorio mine in Uruguay for the current financial year to be between 30,000 - 35,000 ounces of gold, with operating costs of US\$800 - US\$900 per ounce.

At current gold prices this will allow the Company to continue to focus on expanding its resource base in Uruguay both from underground and surface operations, with the aim of increasing its mine life and/or increasing production by utilising the spare capacity in the San Gregorio plant**.

The Company also announced in its operational update that it planned to commence a 15,000 - 30,000 metre drilling campaign in 2017 in Colombia, culminating in the preparation and publishing of a maiden N.I. 43-101 compliant resource report for the Anzá gold project ("Anzá"). The net proceeds of this Subscription of US\$3.2 million are intended to be deployed for drilling and associated activities at Anzá, and are budgeted to fund an initial 15,000 metres of diamond drilling.

Ignacio Salazar, CEO of the Company, commented: "The completion of this financing, which was oversubscribed and at a premium to the prevailing market when negotiated, is a testament to the quality of our assets and growth prospects. We are delighted to have two new institutional shareholders join our shareholder base while limiting dilution to our existing shareholders. The funds raised should allow the Company to swiftly commence resource definition drilling in our high potential Anzá gold project in the Mid Cauca belt of Colombia. Concurrently, cash flow from existing operations in Uruguay can be directed to growing our production profile within the 100 km long greenstone belt we control in Uruguay, as well as around our existing operating mine and CIL plant. This is aimed at accelerating progress in the two key growth projects of the Company."

The Terms of the Subscriptions

Subscription agreements have been entered into with subscribers pursuant to which the subscribers have conditionally agreed to purchase in aggregate 16,740,502 new Common Shares of no par value at a price of C\$0.241 per Subscription Share.

The Subscription Shares will be allotted and issued free of all liens, charges and encumbrances and will, when issued and fully paid, rank pari passu in all respects with the Company's existing Common Shares, including the right to receive all dividends and other distributions declared, made or paid after the date of their issue.

Completion of the Subscription is subject amongst other things to the final acceptance of the TSX, and admission of the New Common Shares to trading on AIM ("Admission"). Application has been made for the New Common Shares to be admitted to trading on AIM. Subject to receipt of final acceptance of the TSX, it is expected that Admission will become effective at 8.00 am (GMT) on or around August 14th, 2017. If Admission is delayed, any variations to this timetable will be announced via a Regulatory Information Service.

Upon Admission, the total number of Common Shares and voting rights issued and outstanding will be 117,586,905 and the total number of options and warrants outstanding will be 15,668,344 following the issuance of the Subscription Warrants.

Securities issued under the Subscription will be subject to a four-month hold expiring on December 14th, 2017 and will become

freely transferable on December 15th, 2017, in accordance with applicable Canadian securities laws.

The financing was conducted by Cantor Fitzgerald Europe ("Cantor") and Numis Securities Limited ("Numis").

A copy of the Company's latest corporate presentation is available on the Company's website www.orosur.ca.

*CAD exchange rate as at August 1st, 2017 (1CAD\$:0.606GBP)

**Assumes production and operating costs for the San Gregorio mine are achieved as stated above at prevailing gold price

Principal Terms of the Subscription Warrants

The Subscription Warrants are constituted pursuant to a Warrant Indenture to be entered into between Computershare Trust Company of Canada and the Company dated August 14th, 2017.

The principal terms of the Subscription Warrants are as follows:

- a) a holder of Subscription Warrants (a "Warrantholder") will have the right at any time prior to August 14th, 2020 upon written notice, to subscribe for new Common Shares (on the basis of one new Common Share for each Subscription Warrant held, subject to adjustment) at C\$0.337 per Common Share;
- b) the Subscription Warrants will be transferable and freely transferable at any time following the four month hold period;
- c) the Subscription Warrants will not be listed or admitted to trading on any exchange; and
- d) the subscription rights under the Subscription Warrants will be subject to adjustment in the event of various corporate actions affecting the share capital of the Company.

Appointment of Joint Broker

Concurrent with the financing, the Company is pleased to announce the appointment of Numis as its joint broker with immediate effect alongside its existing broker, Cantor. Cantor continues to serve as the Company's nominated adviser and joint broker.

For more information, please visit www.orosur.ca.

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. If you have any queries on this, then please contact Ignacio Salazar, Chief Executive Officer of the Company (responsible for arranging release of this announcement) on: +1 (778) 373-0100

Cantor Fitzgerald Europe is the Company's nominated adviser and joint broker and Numis Securities Limited is the Company's joint broker. Both Cantor and Numis are authorised and regulated in the United Kingdom by the Financial Conduct Authority. Cantor's responsibilities as the Company's nominated adviser under the AIM Rules for Companies and the AIM Rules for Nominated Advisers are owed solely to the London Stock Exchange and are not owed to the Company or to any other person. Cantor and Numis are acting exclusively for the Company and no one else in connection with the Subscription, will not regard any other person as a client in relation to the Subscription and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Cantor and Numis (respectively) or for providing advice in relation to the Subscription or any other matter referred to in this announcement.

This press release does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in the United States. The securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and may not be offered or sold within the United States or to or for the account or benefit of a U.S. person (as defined in Regulation S under the U.S. Securities Act) unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from such registration is available.

About Orosur Mining Inc.

[Orosur Mining Inc.](#) is a fully integrated gold producer, developer and explorer focused on identifying and advancing gold projects in South 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, Chile and Colombia. The Company is listed in Canada (TSX: OMI) and London (AIM: OMI). The Company produced 35,371 ounces of gold in the year ending 31 May 2017, with operating cash costs expected within its guidance of US\$800-US\$900 per ounce. The Company expects production from the San Gregorio mine in Uruguay for the current financial year to be between 30,000 - 35,000 ounces of gold, with operating costs of US\$800-US\$900 per ounce.

The Company will commence a 15,000 - 30,000 metre drilling campaign in 2017 in Colombia, culminating in the preparation and publishing of a maiden N.I. 43-101 compliant resource report for the highly prospective Anzá gold Project in Colombia.

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