

News Release

Orvana Announces Excellent Progress Toward Production at Don Mario Mine and First Quarter Results

Toronto, May 22, 2003 – Orvana Minerals Corp. (TSX: ORV) announced that it has been testing since April the ore processing mill at its Don Mario gold property in southeast Bolivia. The testing of electrical and mechanical systems is nearly completed, and the Company is currently running low grade material through the mill. Orvana expects to process ore at a rate of 600 tonnes per day on a sustainable basis by early June.

Orvana Chairman, President and CEO Jaime Urjel said, "We made substantial progress in the first quarter toward mine start-up and mill commissioning at the new US\$20-million Don Mario mine, and this month, we started testing the mill with low grade ore. The next stage is to run medium grade ore through the mill, testing operational and metallurgical parameters for further optimization of gold recovery. I am very pleased with the substantial progress our workers and contractors have made in bringing the mine to this stage in only 15 months."

To date, Orvana has completed 110 meters of the vertical shaft, 760 meters in drifts and crosscuts, and 340 meters in open cut and ventilation raises. The corporation has completed construction of the shaft pulley towers, and commenced installation of the main hoist. A sufficient volume of water is stored in the property's dams and preventive measures are being taken to minimize evaporation. 71,000 tonnes of ore have been stockpiled for initial milling. Upon reaching full commercial production, annual output of the mine is estimated to be 60,000 ounces of gold.

Orvana also announced its financial results for the first quarter of fiscal 2003. Total assets increased US\$2.3 million to US\$26.8 million during the first quarter ended March 31, 2003. The corporation spent an additional US\$2.4 million on the construction of the Don Mario mine during the period. To finance these expenditures, Orvana borrowed an additional US\$2.5 million from a US\$8 million loan facility with a Bolivian bank, bringing the total amount drawn to US\$6.5 million. As a result, liabilities increased US\$2.1 million to US\$15.7 million in the first three months of the year. Orvana reduced trade accounts payable by approximately \$280,000 during the quarter.

Since the Don Mario mine was under construction and development in the first quarter, Orvana did not generate any revenues from production. Total expenses in the quarter were US\$31,634 compared to US\$55,056 in the first quarter of 2002. The corporation incurred a first-quarter net loss of US\$28,746 compared to a net loss of US\$43,588 in the first quarter of the previous year – each amount representing approximately US\$0.00 per share.

Consolidated Financial Statements and Management's Discussion and Analysis will be available on SEDAR at www.sedar.com.

Mr. Urjel added, "We expect to report gold sales and revenues in the third quarter of this year, and with relatively moderate infrastructure, labour and energy costs, we estimate that the Don Mario mine will process ore at cash costs of approximately US\$25-\$30 per tonne. We also anticipate that Orvana will have sufficient free cash flow this year to fund underground exploration of the Don Mario property's lower mineralized zone with the intention of developing additional mineral reserves."

Orvana also announced that 26,497,571 common shares owned by Compania Minera del Sur S.A. ("Comsur") have been released from escrow following satisfaction of the escrow release conditions included in the agreement pursuant to which Comsur acquired its controlling interest in Orvana. The corporation also stated that it is changing its fiscal year end to September 30 to align it with that of Comsur – Orvana's controlling shareholder and operating partner in Bolivia.

The corporation's annual meeting of shareholders will be held in Toronto at the offices of Blake, Cassels & Graydon LLP, 23rd floor, Commerce Court West, 199 Bay Street, at 4:00 pm on Thursday, June 12th, 2003. Documents related to the meeting will be posted on SEDAR at www.sedar.com.

Orvana Minerals is involved in the evaluation, development and operation of precious metal mining, particularly of gold in Bolivia. The corporation's long-term goal is to become a multi-mine producer in South America. Orvana has been listed since 1992 on the Toronto Stock Exchange under the trading symbol ORV.

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This news release contains forward-looking statements that are based on the corporation's expectations, estimates and projections regarding its business as well as the precious metals market and economic environment in which it operates. These statements are not guarantees of future performance and involve risks and uncertainties (described in the corporation's public disclosure documents) which are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on them. Statements speak only as of the date on which they are made, and the corporation undertakes no obligation to publicly update them to reflect new information or the occurrence of future events or circumstances.