

ORVANA

MINERALS CORP.

1801 Lakeshore Road West, Suite 113, Mississauga, Ontario, L5J 1J6
www.orvana.com, Tel: 905-822-1463

Orvana Minerals Corp. Reports Financial Results for the Fiscal Period ended September 30, 2003

TORONTO, CANADA, December [XX], 2003

Orvana Minerals Corp. (TSX: ORV) announced today its operating and audited financial results for the nine month fiscal period ended September 30, 2003. Earlier in the year, the Company changed its financial reporting year end from December 31 to September 30 to coincide with that of Orvana's controlling shareholder, Compania Minera del Sur S.A. ("Comsur") in order to facilitate more cost-effective reporting. All dollar amounts are expressed in United States dollars unless otherwise stated.

During the six months ended June 30, 2003, Orvana's Don Mario mine in Bolivia was under development and construction. The mine began commercial production on July 1, 2003, and generated sales in the last three months of the new fiscal period. In the nine month 2003 fiscal period, the Company reported revenues of \$3.0 million and a net loss of (\$470,480) or \$0.00 per share. At September 30, 2003, Orvana had \$30 million in assets and shareholders' equity of \$10.8 million.

Orvana President and Chief Executive Officer Jaime Urjel said, "In efforts to further improve our productivity at the Don Mario mine, we have recently increased mill throughput from 600 to 700 tonnes per day, and we are focused on accessing additional ore faces which is expected to allow us to increase our average head grade over the next several months. We are confident that we will record net income and generate sufficient free cash flow in 2004 to conduct further exploration at the Don Mario property."

The lower mineralized zone at the Don Mario property has estimated proven and probable reserves of 1.5 million tonnes grading 8.74 grams per treated tonne, with 414,000 ounces of contained gold, according to an independent technical report on the Don Mario property prepared by the international consulting firm AMEC E&C Services Ltd., in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects.

Notes to the audited Consolidated Statements and MD&A will soon be available on SEDAR at www.sedar.com.

Consolidated Balance Sheets
(Expressed in United States Dollars)

	September 30 2003	December 31 2002
ASSETS		
Current assets		
Cash and cash equivalents	\$ 228,472	\$ 1,505,939
Accounts receivable and prepaid expenses	3,182,822	1,408,199
Gold and ore inventories	360,876	-
Supplies	1,182,759	1,143,082
	<u>4,954,929</u>	<u>4,057,220</u>
Mineral properties and deferred development costs (Note 3)	7,351,435	7,542,000
Construction in progress (Note 4)	-	12,923,245
Capital assets (Note 4)	17,659,869	-
	<u>\$ 29,966,233</u>	<u>\$ 24,522,465</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 2,646,057	\$ 1,173,769
Current portion of loans payable	2,800,000	-
Current portion of notes payable	159,653	182,600
	<u>5,605,710</u>	<u>1,356,369</u>
Loan payable - Banco de Credito de Bolivia (Note 5)	6,000,000	4,000,000
Loan payable - Compania Minera del Sur S.A. (Note 7)	7,200,000	8,000,000
Notes payable (Note 15)	158,313	145,240
Debenture - Compania Minera del Sur S.A. (Note 6)	96,650	-
Provision for statutory workers' settlements	107,911	-
Reclamation (Note 8)	35,287	-
	<u>19,203,871</u>	<u>13,501,609</u>
SHAREHOLDERS' EQUITY		
Capital stock (Note 9)	74,617,452	74,405,466
Deficit	(63,855,090)	(63,384,610)
	<u>10,762,362</u>	<u>11,020,856</u>
	<u>\$ 29,966,233</u>	<u>\$ 24,522,465</u>

Approved by the Board of Directors:

(signed)

George Hamilton
Director

(signed)

Jeffrey Lloyd
Director

Consolidated Statements of Operations and Deficit
(Expressed in United States Dollars)

	For the Nine months ended September 30, 2003	For the year, ended December 31, 2002
Revenue		
Gold sales	\$ 2,984,933	\$ -
Interest and other income	7,901	16,896
	<u>2,992,834</u>	<u>16,896</u>
Cost and expenses		
Cost of sales	1,623,525	-
Depreciation, amortization and reclamation	885,920	-
Corporate, general and administration	360,137	327,225
Production royalties	101,960	-
Foreign exchange (gain) loss	23,714	(39,265)
Interest on long term debt	259,595	-
	<u>3,254,851</u>	<u>287,960</u>
Loss before under-noted items and income taxes	<u>262,017</u>	<u>271,064</u>
Loss (gain) on restructuring costs (Note 13)	92,488	(839,367)
Write-off of capital assets	-	30,797
	<u>92,488</u>	<u>(808,570)</u>
Income (loss) before income taxes	(354,505)	537,506
Income taxes paid	115,975	-
Net income (loss) for the year	<u>(470,480)</u>	<u>537,506</u>
DEFICIT, beginning of period	<u>(63,384,610)</u>	<u>(63,922,116)</u>
DEFICIT, end of period	<u>\$ (63,855,090)</u>	<u>\$ (63,384,610)</u>
Income (loss) per share (Note 14)	<u>\$ 0.00</u>	<u>\$ 0.00</u>

Consolidated Statements of Cash Flows
(Expressed in United States Dollars)

	For the Nine months ended September 30, 2003	For the year, ended December 31, 2002
Cash provided by (used in):		
OPERATING ACTIVITIES		
Income (loss) for the period	\$ (470,480)	\$ 537,506
Loss (Gain) on restructuring costs (Note 13)	-	(839,367)
Depreciation, amortization and reclamation	885,920	30,797
	<u>415,440</u>	<u>(271,064)</u>
Changes in non-cash working capital items:		
Receivables and prepaid	(1,774,623)	(640,916)
Gold and ore inventories	(360,876)	-
Accounts payable and accrued liabilities	1,472,288	68,966
Supplies and other	(39,677)	(1,143,082)
Provision for statutory workers' settlements	107,911	-
	<u>(179,537)</u>	<u>(1,986,096)</u>
FINANCING ACTIVITIES		
Proceeds from share issues	192,961	4,223,988
Due to Compania Minera del Sur S.A.	-	8,000,000
Debenture payable to Compania Minera del Sur S.A.	96,650	-
Loan payable, Banco de Credito de Bolivia	4,000,000	4,000,000
(Repayment)/advance of loans payable	-	(142,148)
Notes payable	(9,874)	327,840
	<u>4,279,737</u>	<u>16,409,680</u>
INVESTING ACTIVITIES		
Mineral properties	(40,274)	-
Capital assets and construction in progress	(5,337,393)	(12,923,245)
	<u>(5,377,667)</u>	<u>(12,923,245)</u>
CHANGE IN CASH AND CASH EQUIVALENTS	(1,277,467)	1,500,339
CASH AND CASH EQUIVALENTS, beginning of period	1,505,939	5,600
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 228,472</u>	<u>\$ 1,505,939</u>

About Orvana

Orvana Minerals Corp. is a Canadian mining and exploration company involved in the evaluation, development and mining of precious metal deposits in South America. The Company owns and operates the Don Mario mine in Bolivia. Orvana's long-term goal is to become a multi-mine producer in South America. The company's shares have been listed on the Toronto Stock Exchange since 1992 under the trading symbol ORV.

For further information, please contact: George Hamilton, Chairman,
905-822-1463, ghamilton@orvana.com

This news release contains forward-looking statements that are based on the Company'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 Company'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 Company undertakes no obligation to publicly update them to reflect new information or the occurrence of future events or circumstances.