NEWS RELEASE

For Immediate Release **TSX:ORV**
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Orvana Reports Second Quarter Fiscal Results and Provides Operational Update

(All amounts in US dollars unless otherwise stated)

- **Q2 2016 production of 17,116 oz of gold and 3.3 million pounds of copper and gold equivalent production of 24,529 oz**
- **Q2 2016 gold sales of 14,777 oz of gold and copper sales of 2.4 million pounds**
- **Q2 2016 gold consolidated head grade up 2.28 g/t compared to 2.10 g/t in Q1 2016**
- **Cash position at March 31, 2016 of $15.0 million**
- **Financing for Don Mario carbon-in-leach circuit re-commissioning expected to close in May 2016**
- **Committed to satisfy $5.7 million (€5.0 million) bond requirement in respect of environmental reclamation at El Valle**
- **Revised production guidance: narrowing of gold guidance at El Valle and timing change at Don Mario**

TORONTO, ONTARIO, May 4, 2016 - Orvana Minerals Corp. (TSX:ORV) (the "Company" or "Orvana") announced today financial and operational results for the second quarter of fiscal 2016 ("Q2 2016"). The Company is also providing financial and operational results for its OroValle (El Valle Mine) operations in northern Spain and for its EMIPA (Don Mario Mine) operations in Bolivia.

The unaudited condensed interim consolidated financial statements for Q2 2016 and Management's Discussion and Analysis related thereto ("MD&A") are available on SEDAR and on the Company's website at www.orvana.com.

2016 Consolidated Operating and Financial Highlights

	Q2 2016	Q1 2016	Q2 2015	YTD 2016	YTD 2015
Operating Performance					
Gold					
Grade (g/t)	**2.28**	2.10	2.32	**2.19**	2.42
Recovery (%)	**76.1**	81.5	76.4	**78.7**	75.9
Production (oz)	**17,116**	17,789	19,403	**34,905**	41,598
Sales (oz)	**14,777**	15,955	18,636	**30,733**	40,296
Average realized price / oz	**$1,176**	$1,105	$1,226	**$1,139**	$1,213
Copper					
Grade (%)	**0.78**	0.78	1.06	**0.78**	1.10
Recovery (%)	**62.5**	71.1	75.5	**66.9**	76.5
Production ('000 lbs)	**3,320**	3,951	6,014	**7,271**	13,004
Sales ('000 lbs)	**2,438**	3,814	6,091	**6,251**	13,024
Average realized price / lb	**$2.07**	$2.23	$2.62	**$2.16**	$2.83
Silver					
Grade (g/t)	**16.36**	22.43	19.32	**19.47**	18.29
Recovery (%)	**73.7**	73.7	62.2	**73.7**	64.5
Production (oz)	**119,175**	171,664	131,535	**290,839**	266,840
Sales (oz)	**103,873**	160,565	111,563	**264,438**	258,702
Average realized price / oz	**$14.62**	$14.85	$16.75	**$14.76**	$16.61

	Q2 2016	Q1 2016	Q2 2015	YTD 2016	YTD 2015
Financial Performance *(in 000's, except per share amounts)*					
Revenue	**$21,279**	$22,497	$30,108	**$43,776**	$68,878
Mining costs	**$19,045**	$20,806	$23,944	**$39,851**	$51,914
Gross margin	**($821)**	($3,869)	$78	**($4,690)**	$2,526
Net loss	**($2,670)**	($3,076)	($4,130)	**($5,746)**	($3,392)
Net loss per share (basic/diluted)	**($0.02)**	($0.02)	($0.03)	**($0.04)**	($0.02)
Operating cash flows before non-cash working capital changes (1)	**($81)**	$871	$2,662	**$790**	$10,117
Operating cash flows	**($535)**	$1,575	$4,528	**$1,040**	$19,486
Ending cash and cash equivalents	**$15,006**	$17,535	$21,512	**$15,006**	$21,512
Capital expenditures (2)	**$2,745**	$3,716	$3,596	**$6,461**	$6,057
Cash operating costs (by-product) ("COC") ($/oz) gold (1)	**$1,100**	$1,004	$871	**$1,050**	$777
All-in sustaining costs (by-product) ("AISC") ($/oz) gold (1)(2)	**$1,411**	$1,316	$1,230	**$1,361**	$1,080

(1) Operating cash flows before non-cash working capital changes, COC and AISC are non-IFRS performance measures.

(2) These amounts are presented on a cash basis. Each reported period excludes capital expenditures incurred in the period which will be paid in subsequent periods and includes capital expenditures incurred in prior periods and paid for in the applicable reporting period. The calculation of AISC and AIC includes capex incurred (paid and unpaid) during the period.

Jeff Hillis, Interim Chief Executive Officer, said "*We have made tremendous progress at Don Mario recently in transitioning to mining from the LMZ and securing debt financing for our CIL Project. We believe the CIL Project best positions Don Mario to take advantage of the higher gold grades in the LMZ and other known opportunities. At the OroValle operation in Spain, we continue to face challenges during this transition period as we work to make necessary infrastructure investments in order to improve production for the longer term. We look forward to reporting updates on our progress at both our operations.*"

Operational Update and Growth Initiatives

El Valle

Gold and silver production for Q2 2016 at El Valle was 11,775 ounces and 28,947 ounces, respectively, representing a decrease of 17% and 36%, respectively, compared with Q1 2016. Copper production was 0.7 million pounds, a decrease of 56% compared to Q1 2016, primarily due to a decrease of 26% in tonnes milled. This decrease in tonnes milled was slightly offset by an increase to gold average head grades of 7%, while copper and silver production were also impacted by decreases in average head grades of 30% and 24%, respectively.

COC (by-product) of $1,067 per ounce of gold sold in Q2 2016 were $89 or 8% lower than in Q2 2015. AISC (by-product) of $1,264 per ounce of gold sold in Q2 2016 were $68 or 5% lower than in Q2 2015. COC and AISC in Q2 2016 were lower compared with Q2 2015 due to lower fixed mining costs, offset by a decline in by-product revenues.

Skarns production declined slightly by 2% over Q2 2016, compared with Q1 2016. Lower production was anticipated due to new underground areas requiring additional development for new mining zones.

Oxide production decreased significantly in Q2 2016, primarily through March. Poor ground conditions were encountered in some areas and unplanned bypass waste development was required to access ore zones. These bypasses were completed during March and development continued through the end of the second quarter in the oxide areas.

Dewatering and power issues continued to impact production. The water table is now actively being lowered and an additional pumping system with increased capacity is being designed based on a hydrological study completed in Q2 2016. Power studies were completed in the first quarter and interim solutions to increase power capacity were initiated during the second quarter while negotiations continue on the construction of a permanent power line.

Resource drilling continued to expand known inferred resources and convert inferred resources to indicated and measured resources. Drilling was focused on the A208 and Black Skarn West brownfield targets, as well as infill drilling targeted in the Boinás East Skarn zones to upgrade inferred resources for an additional stoping zone.

Don Mario

Gold production for Q2 2016 at Don Mario increased by 37% to 5,341 ounces compared to Q1 2016 primarily as a result of higher head grades mined from the Lower Mineralized Zone (“LMZ”). Copper and silver production decreased by 3% and 30%, respectively, to 2.7 million pounds and 90,228 ounces of silver compared to Q1 2016 due to lower grades and recoveries. Higher gold grades and continued lower copper and silver grades are expected as the Upper Mineralized Zone (“UMZ”) is mined out through Q3 2016.

At Don Mario, historical mining took place in the LMZ underground gold mine up until 2009. Reviews were successfully carried out in 2015 to investigate the potential of mining the upper extension of the LMZ. Additionally, exploration drilling was performed around known mineralized zones north-west and south-east of the UMZ (collectively known as “Cerro Felix”), located approximately 600 meters from the LMZ. Based on the results obtained, the Company published resource estimates for the LMZ and Cerro Felix areas in November 2015.

Don Mario previously processed ore from the LMZ and Cerro Felix in the carbon-in-leach (“CIL”) circuit where it achieved an average gold recovery of over 80%. EPCM Consultores SRL, together with Lycopodium Minerals Canada, completed a capital cost estimate to recommission the CIL circuit (the “CIL Project”). For the selected process option, the capital cost estimate is $6.4 million to an accuracy estimate of +/- 15% including owner’s costs and 15% contingency. Results of a metallurgical testing program undertaken by the Company indicate potential gold recovery of higher than historical rates can be achieved by processing LMZ resource material through a re-commissioned CIL circuit.

To fund the capital costs estimated for the CIL Project, the Company is nearing completion of project financing with a Bolivian regional bank, and expects to close this financing in May 2016. During April 2016, the Company initiated the purchase of long-lead components of the CIL Project and expects the project to be fully underway by the end of May 2016 with an estimated execution period of seven to nine months.

Outlook and going concern

The Company continues to pursue a number of initiatives at El Valle and Don Mario in order to meet its objectives of optimizing production, lowering unitary cash costs, maximizing free cash flow, extending the life-of-mine of its operations and growing its operations to deliver shareholder value. It will also be pursuing strategic alternatives such as mergers or acquisitions.

The Company is currently monitoring its liquidity position closely and continues to assess its capital needs for the remainder of the fiscal year and beyond. The liquidity outlook of the Company has changed in large part due to the recent commitment to satisfy an additional $5.7 million (€5.0 million) environmental reclamation bond in Spain.

El Valle continues to focus on de-bottlenecking the mine through investments in power and water pumping infrastructure in order to meet lagging mine development requirements and increase productivity rates. The Company requires investment of additional capital to address these operational issues and, until these issues are rectified, the Company’s forecasts indicate that El Valle Mine will incur continuing losses and cash outflows from operations.

At Don Mario, the Company is planning to execute the CIL Project, subject to closing the external financing expected in May 2016. The CIL Project together with the existing flotation plant best positions Don Mario for the future and is expected to result in the operation maximizing the value of the recently defined resource material, generating expected free cash flow through fiscal 2017. Furthermore, the CIL Project could provide enhanced processing capabilities to leverage other known opportunities in the future.

The Company believes that it will require external financing through debt, equity or other sources to support its activities over the next eighteen months, excluding financing for the CIL Project expected to close in May 2016. Although the Company has been successful in raising equity and debt financing to support its activities in the past, there can be no assurance as to the success of its future financing efforts or as to the timing and sufficiency of financing that may be obtained.

These circumstances may cast significant doubt as to the Company's ability to continue as a going concern, and the ultimate appropriateness of the use of accounting principles applicable to a going concern.

In managing volatility risk, during April 2016 the Company entered into a limited amount of gold and copper fixed price arrangements with Auramet International, LLC. In respect of gold, the Company has committed to sell 1,300 ounces per month (approximately 25% of consolidated production) from May 2016 to July 2016 at a fixed floor price of US$1,210 per ounce with full upside participation commencing at US$1,265 per ounce. Also, as a result of the US$1,265 participation level, any future mark-to-market exposure from a rising gold price is capped at US$1,265. In respect of copper, the Company has entered into fixed forward pricing arrangements for approximately 348,330 pounds (158 metric tonnes) each month produced from May 2016 to July 2016, at prices of approximately US$2.17 per pound to US$2.20 per pound.

The following table sets out the results of Orvana's second quarter of fiscal 2016 as well as its updated fiscal 2016 production and cost guidance:

	YTD 2016 Actual	FY2016 Revised Guidance
El Valle Mine Production		
Gold (oz)	**25,668**	43,000 – 46,000
Copper (million lbs)	**0.7**	4.5 – 5.0
Silver (oz)	**72,378**	120,000 - 130,000
Don Mario Mine Production		
Gold (oz)	**9,237**	20,000 – 21,000
Copper (million lbs)	**5.4**	11.0 – 12.0
Silver (oz)	**218,461**	330,000 – 370,000
Total Production		
Gold (oz)	**34,905**	63,000 – 67,000
Copper (million lbs)	**7.3**	15.5 – 17.0
Silver (oz)	**290,839**	450,000 – 500,000
Total capital expenditures	**$6,461**	$17,000 - $19,000
COC (by-product) ($/oz) gold [(1)]	**$1,050**	$1,000 - $1,100
AISC (by-product) ($/oz) gold [(1)]	**$1,361**	$1,300 - $1,400

(1) FY2016 guidance assumptions for COC and AISC include by-product commodity prices of $2.10 per pound of copper and $15.00 per ounce of silver and an average Euro to US Dollar exchange of 1.15.

Orvana revised its gold production guidance in the second quarter of fiscal 2016 as follows: (i) narrowed gold production guidance at El Valle from 43,000 to 48,000 ounces to 43,000 to 46,000 and (ii) decreased gold production guidance at Don Mario from 24,000 to 27,000 ounces to 20,000 to 21,000 ounces. Guidance was lowered at Don Mario as gold production estimates previously included the contribution impact of the CIL Project commencing in August 2016, which was delayed by a longer than expected financing timeframe.

As a result of the above gold production changes, Orvana also revised its COC and AISC guidance during the second quarter of fiscal 2016 as follows: (i) increased COC from $850 to $950 per ounce to $1,000 to $1,100 per ounce, and (ii) increased AISC from $1,150 to $1,250 per ounce to $1,300 to $1,400 per ounce.

Changes to Board of Directors

On May 3, 2016, Mr. Gordon Bogden stepped down from the board of directors of Orvana. The directors and management of Orvana thank Mr. Bogden for his contributions, support and guidance to the Company over the past two years.

We are also pleased to announce the appointment of Alan Edwards, a seasoned mining executive with over 35 years of operating experience in the mining business, as a new director of the Company. Additionally, Mr. Edwards has served on numerous mining company boards.

About Orvana

Orvana is a multi-mine gold and copper producer. Orvana's operating assets consist of the producing gold-copper-silver El Valle mine in northern Spain and the producing gold-copper-silver Don Mario mine in Bolivia. Additional information is available at Orvana's website (www.orvana.com).

For further information please contact:

Jeffrey Hillis
CFO and Interim CEO
T (416) 369-6281
E jhillis@orvana.com

Joanne Jobin
Investor Relations Officer
T (416) 369-6275
E jjobin@orvana.com

Cautionary Statements - Forward-Looking Information

Certain statements in this information constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, potentials, future events or performance (often, but not always, using words or phrases such as "believes", "expects", "plans", "estimates" or "intends" or stating that certain actions, events or results "may", "could", "would", "might", "will" or "are projected to" be taken or achieved) are not statements of historical fact, but are forward-looking statements.

The forward-looking statements herein relate to, among other things, Orvana's ability to achieve improvement in free cash flow; the potential to extend the mine life of El Valle and Don Mario beyond their current life-of-mine estimates; Orvana's ability to optimize its assets to deliver shareholder value; the Company's ability to optimize productivity at Don Mario and El Valle; estimates of future production, operating costs and capital expenditures; mineral resource and reserve estimates; statements and information regarding future feasibility studies and their results; future transactions; future metal prices; the ability to achieve additional growth and geographic diversification; future financial performance, including the ability to increase cash flow and profits; future financing requirements; and mine development plans.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this information, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in Orvana's most recently filed Management's Discussion & Analysis and Annual Information Form in respect of the Company's most recently completed fiscal year (the "Company Disclosures") or as otherwise expressly incorporated herein by reference as well as: there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; permitting, development, operations, expansion and acquisitions at El Valle and Don Mario being consistent with the Company's current expectations; political developments in any jurisdiction in which the Company operates being consistent with its current expectations; certain price assumptions for gold, copper and silver; prices for key supplies being approximately consistent with current levels; production and cost of sales forecasts meeting expectations; the accuracy of the Company's current mineral reserve and mineral resource estimates; and labour and materials costs increasing on a basis consistent with Orvana's current expectations.

A variety of inherent risks, uncertainties and factors, many of which are beyond the Company's control, affect the operations, performance and results of the Company and its business, and could cause actual events or results to differ materially from estimated or anticipated events or results expressed or implied by forward looking statements. Some of these risks, uncertainties and factors include fluctuations in the price of gold, silver and copper; the need to recalculate estimates of resources based on actual production experience; the failure to achieve production estimates; variations in the grade of ore mined; variations in the cost of operations; the availability of qualified personnel; the Company's ability to obtain and maintain all necessary regulatory approvals and licenses; the Company's ability to use cyanide in its mining operations; risks generally associated with mineral exploration and development, including the Company's ability to continue to operate the El Valle and/or Don Mario and/or ability to resume operations at the Carlés Mine; the Company's ability to acquire and develop mineral properties and to successfully integrate such acquisitions; the Company's ability to execute on its strategy; the Company's ability to obtain financing when required on terms that are acceptable to the Company; challenges to the Company's interests in its property and mineral rights; current, pending and proposed legislative or regulatory developments or changes in political, social or economic conditions in the countries in which the Company operates; general economic conditions worldwide; and the risks identified in the Company's Disclosures under the heading "Risks and Uncertainties". This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements and reference should also be made to the Company's Disclosures for a description of additional risk factors.

Any forward-looking statements made in this information with respect to the anticipated development and exploration of the Company's mineral projects are intended to provide an overview of management's expectations with respect to certain future activities of the Company and may not be appropriate for other purposes.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions and, except as required by law, the Company does not undertake any obligation to update forward-looking statements should assumptions related to *these plans, estimates, projections, beliefs and opinions change. Readers are cautioned not to put undue reliance on forward-looking statements.*

The forward-looking statements made in this information are intended to provide an overview of management's expectations with respect to certain future operating activities of the Company and may not be appropriate for other purposes.