



ANNUAL GENERAL MEETING OF SHAREHOLDERS

TO BE HELD ON FEBRUARY 3, 2016 AT 11:00 A.M. EST

**NOTICE OF MEETING AND
MANAGEMENT INFORMATION CIRCULAR**

January 8, 2016

ORVANA MINERALS CORP.

Notice of Annual General Meeting of Shareholders

- (a) **NOTICE** is hereby given that the annual general meeting of the holders of common shares of Orvana Minerals Corp. (the "Company") will be held at the Toronto Hilton, the York Room, 145 Richmond Street West, the Lobby Level, Toronto, Ontario on Wednesday, February 3, 2016 at 11:00 a.m. (Toronto time) (the "Meeting") for the following purposes:
- (b) to receive the Company's comparative audited consolidated financial statements as at and for the fiscal year ended September 30, 2015 and the auditor's report thereon;
- (c) to elect directors of the Company to hold office until the close of the next annual meeting of shareholders;
- (d) to appoint PricewaterhouseCoopers LLP as the Company's auditor for the ensuing year and to authorize the Board of Directors, upon the recommendation of the Audit Committee, to fix the auditor's remuneration; and
- (e) to transact such other business as may properly come before the Meeting or any adjournment thereof.

The specific details of the foregoing matters to be put before the Meeting are set forth in the Management Information Circular accompanying this Notice of Meeting.

Shareholders are invited to attend the Meeting. Registered shareholders who are unable to attend the Meeting in person are requested to complete, date and sign the enclosed form of proxy and send it in the enclosed envelope or otherwise to the Secretary of the Company c/o CST Trust Company, Proxy Dept., P.O. Box 721, Agincourt, Ontario, M1S 0A1. Non-registered shareholders who receive these materials through their broker or other intermediary should complete and send the form of proxy in accordance with the instructions provided by their broker or intermediary. To be effective, a proxy must be received by CST Trust Company not later than 5:00 p.m. (Toronto time) on Monday, February 1, 2016 or in the case of any adjournment of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjourned meeting.

DATED as of the 8th day of January, 2016.

By order of the Board of Directors



Jacques McMullen
Chairman

ORVANA MINERALS CORP.

MANAGEMENT INFORMATION CIRCULAR FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

VOTING INFORMATION

Solicitation of Proxies

This Management Information Circular (the “Circular”) is provided in connection with the solicitation, by or on behalf of the management of Orvana Minerals Corp. (“Orvana” or the “Company”), of proxies to be used at the Company’s annual general meeting of the holders of its common shares (the “Common Shares”) to be held on February 3, 2016 (the “Meeting”) or at any adjournment thereof. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers or employees of the Company without special compensation, or by the Company’s transfer agent, CST Trust Company, at nominal cost. The cost of solicitation will be borne by the Company.

The Company is sending the Notice of Meeting and this Circular along with, for those holders of Common Shares who have so requested, the Company’s comparative audited consolidated financial statements as at and for the fiscal year ended September 30, 2015 and the auditor’s report thereon and the Management Discussion & Analysis for the year ended September 30, 2015 (collectively, the “Proxy-Related Materials”) directly to registered holders and non-registered holders of Common Shares who have not objected to intermediaries disclosing their beneficial ownership information and who have requested this information. The Company will pay for the cost of intermediaries to deliver the Proxy-Related Materials and voting instruction form to non-registered holders who have not objected to intermediaries disclosing their beneficial ownership information. Neither the Company nor its subsidiaries will reimburse shareholders, nominees or agents for the cost incurred in obtaining authorization to execute forms of proxy from their principals or beneficial owners.

Who Can Vote

The Company’s board of directors (the “Board”) has fixed December 30, 2015 as the record date for the Meeting. Any holder of Common Shares of record at the close of business on the record date will be entitled to vote the Common Shares held by such shareholder as at such date on each matter to be acted upon at the Meeting.

If you are a registered holder of Common Shares, a form of proxy is enclosed that you can use to vote at the Meeting or you may attend in person and vote at the Meeting.

If you are a non-registered holder and your Common Shares are held by an intermediary (such as a broker or financial institution), you may receive either a form of proxy or voting instruction form and should follow the instructions provided with such form.

Voting Matters

At the Meeting, shareholders are voting on the following matters:

- the election of directors of the Company; and
- the appointment of the Company’s auditor for the ensuing year and the authorization of the Board, upon the recommendation of the Audit Committee, to fix the auditor’s remuneration.

Voting Your Common Shares

All shareholders are advised to carefully read the voting instructions below that are applicable to them.

Registered Shareholders

If you were a registered shareholder on the record date, you may vote in person at the Meeting or give another person authority to represent you and vote your shares at the Meeting, as described below under the heading “Appointment of Proxyholder”.

Non-Registered Shareholders

It is possible that your Common Shares may be registered in the name of an intermediary, which is usually a trust company, securities broker or other financial institution. A substantial number of shareholders do not hold Common Shares in their own name. If your Common Shares are registered in the name of an intermediary, you are a non-registered shareholder, which is sometimes referred to as a beneficial owner. You should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting.

Your intermediary is entitled to vote the Common Shares held by it and beneficially owned by you on the record date. However, without specific instructions from the beneficial holder, a broker and its agents and nominees are prohibited from voting Common Shares for such beneficial holder. Therefore, if you are a beneficial shareholder rather than a registered shareholder, you should follow the instructions of your intermediary with respect to the procedures to be followed for voting. Generally, intermediaries will provide non-registered shareholders with either: (i) a voting instruction form for completion and execution by you, or (b) a proxy form, executed by the intermediary and restricted to the number of Common Shares owned by you, but otherwise uncompleted. These procedures are to permit non-registered shareholders to direct the voting of the Common Shares that they beneficially own.

Please note that if you are a non-registered shareholder and you wish to attend the Meeting, you will not be recognized at the Meeting for the purpose of voting Common Shares registered in the name of an intermediary unless you appoint yourself as a proxyholder. Accordingly, if you are a non-registered shareholder, to vote your Common Shares in person at the Meeting, you should take the following steps:

- appoint yourself as the proxyholder by writing your own name in the space provided on the voting instruction form or form of proxy; and
- follow the instructions of the intermediary for return of the executed form or other method of response.

Do not otherwise complete the form as your vote, or your designate's vote, will be taken at the Meeting.

Appointment of Proxyholder

Each shareholder has the right to appoint as proxyholder a person (who need not be a shareholder of the Company) other than the persons designated by management of the Company in the enclosed form of proxy to attend and act on the shareholder's behalf at the Meeting or at any adjournment thereof. Such right may be exercised by inserting the name of the person in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy. If you leave the space in the proxy form blank, the persons designated in the form, who are officers of the Company, are appointed to act as your proxyholder.

The persons designated by management of the Company in the enclosed form of proxy are officers of the Company. In the case of **registered shareholders**, the completed, dated and signed form of proxy should be sent (i) in the enclosed envelope by mail, courier or delivered in person to the Secretary of the Company c/o CST Trust Company, Proxy Dept., P.O. Box 721, Agincourt, Ontario, M1S 0A1, or (ii) by facsimile to (416) 368-2502 or 1-866-781-3111 (within North America). To be effective, a proxy must be received by CST Trust Company not later than 5:00 p.m. (Toronto time) on February 1, 2016, or in the case of any adjournment of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjourned meeting.

In the case of **non-registered shareholders** who receive these materials through their broker or other intermediary, the shareholder should communicate his or her voting instructions in accordance with the instructions provided by the shareholder's intermediary.

Revocation of Proxy

A shareholder who has given a proxy may revoke it at any time before it is used by doing one of the following:

- by depositing an instrument in writing or another proxy form signed by the shareholder or by the shareholder's attorney, who is authorized in writing or by electronic signature, or
- by delivering or transmitting, by telephonic or electronic means, a revocation signed by electronic signature by the shareholder or by the shareholder's attorney, who is authorized in writing or by electronic signature,

in either case, to or at the registered office of the Company at 181 University Avenue, Suite 1901, Toronto, Ontario, M5H 3M7 by facsimile transmission to (416) 369-1402 or by electronic delivery to proxy@orvana.com, in each case, at any time up to and including the last business day preceding the day of the Meeting, or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjourned meeting. You may also attend the Meeting and notify the Chair of the Meeting on the day of, and prior to the start of, the Meeting or any adjourned meeting that you are revoking your proxy. You may also revoke your proxy in any other manner permitted by law.

Voting of Proxies

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the persons designated by management of the Company in the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions given on the proxy. If you have not specified how to vote on a particular matter, then your proxyholder can vote your Common Shares as he or she sees fit. **If neither you nor your proxyholder gives specific instructions, your Common Shares will be voted as follows:**

- **FOR** the election of each nominee as a director of the Company; and
- **FOR** the appointment of PricewaterhouseCoopers LLP as the Company's auditor for the ensuing year and the authorization of the Board, upon the recommendation of the Audit Committee, to fix the auditor's remuneration.

Additional Matters Presented at the Meeting

The enclosed proxy form or voting instruction form confers discretionary authority upon the persons named as proxies therein with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the Meeting.

If you sign and return the form of proxy and do not appoint a proxyholder by filling in a name, and any other matter is presented at the Meeting, or at any postponement or adjournment thereof, in addition to, or as an amendment or variation to, the matters described in the Notice of Meeting, the Orvana representatives named as proxies will vote in their best judgment. When this Circular was mailed to shareholders, management of the Company was not aware of any matters to be considered at the Meeting other than the matters described in the Notice of Meeting or any amendments or variations to the matters described in such Notice of Meeting.

Voting Shares

As at December 30, 2015, the Company had 136,623,171 Common Shares outstanding, each carrying the right to one vote per Common Share. The presence of at least two persons present in person, each being a shareholder entitled to vote at the Meeting or a duly appointed proxyholder or representative for a shareholder entitled to vote at the Meeting, is necessary for a quorum at the Meeting. A simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of the matters that are submitted to a vote at the Meeting.

Principal Shareholders

To the knowledge of the directors and senior officers of the Company, as at December 30, 2015, no person beneficially owned, or controlled or directed, directly or indirectly, more than 10% of the voting rights attached to the outstanding Common Shares of the Company except as stated below:

Name	Aggregate Number of Common Shares	Percentage of Outstanding Common Shares
Fabulosa Mines Limited ⁽¹⁾ ⁽²⁾	70,915,027	51.9%

- (1) On March 12, 2012, the Company entered into an agreement with Fabulosa Mines Limited ("Fabulosa") pursuant to which, for so long as it owns at least 10% of the outstanding Common Shares, Fabulosa has the right to designate, at any shareholders' meeting at which directors are to be elected, that number of management's nominees for election as directors of the Company that is the same proportion as its ownership interest is of the Common Shares.
- (2) The Company has issued a number of warrants to Fabulosa in respect of various loan agreements and amendments thereto since 2011. At December 30, 2015, Fabulosa held 3,325,000 Common Share purchase warrants with exercise prices ranging from C\$0.49 to C\$1.90 and the expiry dates ranging from 2016 to 2019 (the "Warrants"). Of the Warrants, 2,175,000 may never be exercised as a result of the forfeiture or expiration of certain options to acquire Common Shares under the Company's equity incentive plan on May 16, 2011 (the exercise of which were tied to Fabulosa's ability to exercise such Warrants). Of the 1,150,000 Warrants which may be exercised, which together with the Common Shares owned represent 52.7% of the Common Shares outstanding on a fully diluted basis, 1,050,000 are exercisable as of December 30, 2015.

Notice to United States Shareholders

The solicitation of proxies by the Company is not subject to the requirements of Section 14(a) of the United States Securities Exchange Act of 1934, as amended (the "U.S. Exchange Act"), by virtue of an exemption applicable to proxy solicitations by "foreign private issuers" as defined in Rule 3b-4 promulgated under the U.S. Exchange Act. Accordingly, this Circular has been prepared in accordance with the applicable disclosure requirements in Canada. Shareholders in the United States should be aware that such requirements are different than those of the United States applicable to proxy statements under the U.S. Exchange Act.

MATTERS TO BE ACTED UPON AT THE MEETING

The Meeting will address the following matters:

1. receiving the Company's comparative audited consolidated financial statements as at and for the fiscal year ended September 30, 2015 and the auditor's report thereon (the "2015 Financials");
2. electing directors who will serve until the next annual meeting of shareholders of the Company;
3. appointing the auditor of the Company that will serve until the next annual meeting of shareholders and authorizing the Board, upon the recommendation of the Audit Committee, to set the auditor's remuneration; and
4. any such other business as may properly be brought before the Meeting.

Receiving the Financial Statements

The 2015 Financials are being mailed to the Company's registered and beneficial shareholders who requested such financial statements. Management of the Company will review the financial results set out in the 2015 Financials at the Meeting and shareholders and proxyholders will be given an opportunity to discuss these results with management of the Company. The 2015 Financials are available on the Company's website at www.orvana.com and on the System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

Election of Directors

The Company's articles provide that the Board may consist of a minimum of three and a maximum of ten directors. The Board is currently comprised of nine directors. The Board has determined to nominate each of the eight persons listed below for election as a director of the Company at the Meeting and has

fixed the size of the Board at eight. All of the nominees are current members of the Board and have been directors of the Company since the date indicated in the table below opposite the proposed nominee's name.

Under the by-laws of the Company, directors of the Company are elected annually. Each director will hold office until the next annual meeting of the shareholders of the Company or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the by-laws.

The Board has adopted a majority voting policy as part of its corporate governance practices pursuant to which any nominee proposed for election as a director in an uncontested election who receives, from the Common Shares voted at the Meeting in person or by proxy, a greater number of Common Shares withheld than Common Shares voted in favour of their election, must promptly tender his or her resignation to the Chair of the Board, to take effect on acceptance by the Board. The Compensation, Nominating and Corporate Governance Committee will expeditiously consider the director's offer to resign and make a recommendation to the Board on whether to accept it. The Board will then make a final decision and announce it. See "Statement of Corporate Governance Practices" attached as Schedule A to this Circular.

The Board recommends that shareholders vote FOR the election as directors of the Company of each of the eight nominees set out in the Circular. Unless authority to do so with respect to one or more directors is withheld, the persons named in the accompanying form of proxy intend to vote FOR the election of each of such nominees.

Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the persons designated by management of the Company in the enclosed form of proxy, in their discretion, in favour of another nominee.

The following table sets forth information with respect to each proposed nominee for election as a director of the Company as at the date of this Circular, including the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction was exercised, by such person or the person's associates or affiliates:

Name, Province/State and Country of Residence	Principal Occupations For Past Five Years	Director Since	Common Shares Beneficially Owned or Over Which Control or Direction is Exercised ⁽¹⁾
Gordon J. Bogden Ontario, Canada ⁽³⁾	Chairman, Black Loon Group Inc. (Current) President and Chief Executive Officer of Alloycorp Mining Inc. Vice Chairman, Mining and Metals at Standard Chartered Bank Co-founder, President and Managing Partner at Gryphon Partners	February 2014	Nil
Daniella Dimitrov Ontario, Canada	President and Chief Executive Officer of Orvana Minerals Corp. (Current) Chief Financial Officer of Orvana Minerals Corp. from June 2012 to March 2015 President DDimitrov Advisory Corp.	From March 2012 to June 2012 and since April 2015	210,000
Juan Gavidia ⁽⁴⁾ Florida, U.S.A.	Independent business consultant including to Minera S.A., affiliate of Fabulosa (Current) Project Manager of Newmont Mining	November 2015	Nil

Name, Province/State and Country of Residence	Principal Occupations For Past Five Years	Director Since	Common Shares Beneficially Owned or Over Which Control or Direction is Exercised ⁽¹⁾
Ed Guimaraes, CPA, CA ⁽²⁾ Ontario, Canada	Chief Financial Officer of Sierra Metals Inc. (Current) Independent business consultant	February 2013	Nil
Sara Magner ⁽³⁾ Virginia, U.S.A.	Corporate Secretary and General Counsel of Minera S.A., affiliate of Fabulosa (Current) Associate, Greenberg Traurig LLP	November 2015	Nil
Jacques McMullen ⁽⁴⁾ Ontario, Canada	Principal, J.McMullen & Associates (Current) Principal, Mines and Metals, Partner and non-executive director of BBA, consulting engineering firm (Current) Senior Vice President, Technical Services and Projects, Barrick Gold Corporation	February 2014	Nil
Gordon Pridham ⁽²⁾⁽³⁾ Ontario, Canada	Director and Chair of Newalta Corporation and director of Americas Silver Corporation (Current) Director and Chair of the board of CHC Realty Capital Corp. and Titanium Corporation (Current) Principal of Edgewater Capital (Current) Advisory board member of Enertech Capital (Current)	November 2014	Nil
Audra Walsh, P.E. ⁽³⁾⁽⁴⁾ Virginia, U.S.A.	President and Chief Executive Officer of A2Z Mining, Inc. (Current) President and Chief Executive Officer of Sierra Metals Inc. President and Chief Executive Officer of Minera S.A., affiliate of Fabulosa Senior Manager at Barrick Gold Corporation	October 2012	58,900

(1) Information as to Common Shares beneficially owned or over which control or direction is exercised and as to employment history, not being within the knowledge of the Company, has been furnished by the respective proposed nominees. This information does not include options exercisable for the purchase of Common Shares issued under the Company's Stock Option Plan or Deferred Share Units issued under the Company's Deferred Share Unit Plan for Non-Employee Directors. See "Directors' Compensation" below for this additional information.

(2) Member of the Audit Committee.

(3) Member of the Compensation, Nominating and Corporate Governance Committee.

(4) Member of the Technical, Safety, Health, Environment and Sustainability Committee.

To the knowledge of the Company, no current or proposed director:

- (a) is, as at the date of this Circular, or has been, within 10 years before the date of the Circular, a director, CEO or CFO of any company (including the Company) that:
- i. was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - ii. was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO and which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or

- (b) is, as at the date of this Circular, or has been within 10 years before the date of the Circular, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Appointment of Auditor

The auditor of the Company is currently PricewaterhouseCoopers LLP (“PwC”). At the Meeting, holders of Common Shares will be requested to re-appoint PwC as the Company’s independent auditor to hold office until the next annual meeting of shareholders or until a successor is appointed, and to authorize the Board to fix the auditor’s remuneration. PwC has been the auditor of the Company since September 2004.

The Board recommends that you vote FOR the re-appointment of PwC as independent auditor for the Company until the next annual meeting of shareholders or until a successor is appointed and the authorization of the Board, upon the recommendation of the Audit Committee, to fix the auditor’s remuneration. **Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the appointment of PwC as the auditor of the Company until the close of the next annual meeting of the shareholders of the Company, or until its successor is appointed, and the authorization of the Board, upon recommendation of the Audit Committee, to fix the auditor’s remuneration.**

During the fiscal year ended September 30, 2015, fees charged by PwC totaled approximately US\$457,000, of which US\$340,000 was for audit services, US\$57,000 was for audit-related services, US\$33,000 was for tax-related services and US\$27,000 was for other services. All non-audit services provided by PwC are subject to pre-approval by our Audit Committee. Additional information regarding the compensation of PwC is contained in our Annual Information Form for the fiscal year ended September 30, 2015 under the heading “Audit Committee Disclosure”. Our Annual Information Form may be found on our website at www.orvana.com and on SEDAR at www.sedar.com.

Other Matters

The Company knows of no other matters to be submitted to the shareholders at the Meeting. If any other matters properly come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares they represent in accordance with their judgement on such matters.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 – Corporate Governance Guidelines of the Canadian Securities Administrators (“CSA”) sets out a series of guidelines for effective corporate governance (the “Corporate Governance Guidelines”). The Corporate Governance Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. As it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance with the Corporate Governance Guidelines, National Instrument 58-101 - Disclosure of Corporate Governance Practices of the CSA (“NI

58-101”) requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Corporate Governance Guidelines. The Company’s approach to corporate governance in relation to the Corporate Governance Guidelines is set out in Schedule “A” to this Circular.

EXECUTIVE COMPENSATION

Under applicable securities legislation, the Company is required to include in this Circular certain information concerning the compensation earned from the Company and any of the Company’s subsidiaries by the Company’s Chief Executive Officer (the “CEO”) and its Chief Financial Officer (the “CFO”) (regardless of the amount of compensation of those individuals) and each of the other three most highly compensated executive officers of the Company, including any of its subsidiaries, whose total compensation exceeded \$150,000 during the Company’s most recently completed fiscal year (collectively, the “NEOs” and each an “NEO”).

Unless otherwise noted herein, all dollar amounts in this Circular are in Canadian dollars. As at September 30, 2015, the last business day of the Company’s fiscal 2015 year, the closing rate of one US dollar has been converted to Canadian dollars at the exchange rate of 1.3345 (based on the Bank of Canada closing rate) and one Euro has been converted to Canadian dollars at the exchange rate of 1.5034 (based on the European Central Bank closing rate).

Compensation Discussion and Analysis

Objectives of the Executive Compensation Program

Orvana’s executive compensation program is designed to be market competitive with a long-term view in order to attract, engage and retain high performing talent. The objectives of Orvana’s executive compensation program are:

- *To provide compensation that is fair and reasonable to senior executives*

Orvana awards compensation based on performance against both quantitative and qualitative measures aligned to the Company’s business strategy, while ensuring that participants are rewarded at market competitive compensation levels. Orvana determines compensation with the goal of attracting and retaining executives that are highly qualified, experienced and have a proven track record of performance, while maintaining internal pay equity such that executives in similar positions are treated equitably.

- *To motivate senior executives and managers to create value for the Company*

Under Orvana’s executive compensation program, an appropriate portion of total compensation is variable and linked to performance, thus rewarding executives when they successfully achieve corporate, operation-specific and individual performance objectives over the short and long-term. Orvana ensures that the total compensation package provided to senior executives includes a significant portion of compensation that is at risk and tied to value creation, reinforcing the importance of senior executives and their ability to influence business outcomes and financial performance. In doing so, Orvana uses corporate financial and operational results as key performance measures.

- *To align performance metrics and compensation to the Company’s business strategy*

Orvana’s executive compensation program aligns the interests of employees with the interests of shareholders through the link to long-term value creation. Orvana aligns compensation with corporate longevity and sustainability by promoting a pay-for-performance culture, providing that a significant portion of executive compensation is variable or at risk (and therefore not guaranteed) and implementing an executive compensation program that is designed to not encourage excessive risk-taking by employees.

Elements of Executive Compensation

The elements of the Company’s executive compensation program, which include both fixed compensation and performance-based variable compensation, are: base salary, short-term incentive plan compensation, long-term incentive plan compensation and a benefits program. The sum of these

compensation elements comprises the total direct compensation of the Company's executive officers. The Company does not have a Company-sponsored pension plan.

Base Salary

The base salary establishes the competitive foundation of the executive compensation program. Base salary is a fixed component of the compensation program and is used to determine other elements of compensation and benefits. Base salaries are intended to reward executives for knowledge, qualifications, experience and individual performance/behaviour required to perform their role. The assessment of base salary is discretionary and is reviewed on an annual basis. In certain cases, base salary may be set above or below the median level in the benchmark group used by the Company to recognize the high performing track record and/or developing nature of incumbents in certain roles.

Short-Term Incentive Compensation

The Company's Short-Term Incentive Plan ("STIP") generally consists of a cash bonus paid based on annual performance. The STIP provides a variable component of compensation designed to reward full-time executives for corporate, operations specific or individual achievements against challenging yet attainable objectives that contribute to shareholder value. The STIP is designed to attract, retain and motivate high quality professionals and provide competitive, performance-based opportunities aligned with the Company's business strategy and is reflective of market practice for companies of similar size, scope and complexity. Award opportunities vary by employee level, role and responsibilities and align with market practice. The STIP utilizes performance measures and targets that are both quantitative and qualitative in nature. STIP minimum, maximum and target award levels (as a percentage of base salary) are set pursuant to employment agreements or, otherwise, on an annual basis along with performance measures and weightings. To ensure a pay-for-performance culture, STIP payouts may only be made if certain minimum performance levels are met. In respect of fiscal 2015, current market conditions were also considered resulting in one-half of the STIP payable to certain of the NEOs being awarded in the form of restricted share units ("RSUs") and, therefore, deferred on the terms set out below.

Long-term Incentive Compensation

The elements of the compensation program that are intended to provide long-term incentives are the grants of restricted share units and stock appreciation rights, which may be granted annually, and stock options. These grants of equity-linked compensation are intended to better align the interests of an executive with those of shareholders by connecting a significant portion of an executive's compensation to the Company's share price performance. The incremental vesting of awards over a period of time is also intended to aid in executive retention as well as to mitigate the risk of undue risk-taking.

(i) Stock Options

The Company grants stock options in connection with the initial appointment of certain executives. The value of stock options is directly linked to the performance of the price of the Common Shares. The purpose of these awards is to assist in attracting talented executives and to align their interests with those of the Company's shareholders from the date of their initial appointment and prior to their eligibility to receive grants of RSUs under the RSU Plan (as defined below). Grants of additional stock options may be made to an executive based on the recommendation of the Compensation/Governance Committee (as hereinafter defined), taking into account such factors as: an exceptional level of Company or individual performance, the number of stock options awarded to such executive in the past and other factors that might justify an additional grant.

Options are granted under the Company's Stock Option Plan adopted by the Company effective on February 16, 2006 (the "Stock Option Plan"). The number of Common Shares that may be issued from treasury under the Stock Option Plan shall not exceed 6,000,000 Common Shares. Directors, officers, employees and consultants of the Company or its subsidiaries are eligible to participate in the Stock Option Plan. The number of Common Shares issuable to insiders at any time and in any one-year period under the Stock Option Plan and any other security based compensation arrangements of the Company shall not exceed in the aggregate 10 percent of the Company's total issued and outstanding Common Shares. The number of Common Shares which may be issued to a participant under the Stock Option Plan and any other security based compensation arrangements of the Company shall not exceed in the aggregate 5 percent of the Company's total issued and outstanding Common Shares. Stock options granted under the Stock Option Plan have an exercise price of not less than the volume-weighted

average trading price of the Common Shares on the TSX for the five trading days immediately preceding the trading day prior to the option grant date.

Such options become fully-vested not later than three years following the date on which they are granted, provided that not more than 50% of the Common Shares shall be issuable under an option within 12 months of the grant date. Stock options granted to a participant shall terminate and generally may not be exercised after the earliest to occur of: (i) the fifth anniversary of the date on which they are granted, (ii) 12 months from the date that the participant ceases to be employed by, or provide services to the Company or a subsidiary thereof (other than where such cessation is due to the participant being terminated for "cause", but including without limitation where such cessation is due to retirement, long term disability or the death of the participant); and (iii) immediately in the event of a termination for "cause" of the participant.

From time to time, the Board may amend, suspend or terminate any of the provisions of the Stock Option Plan or amend the terms of any then outstanding option granted pursuant to the Stock Option Plan, provided, however, that: (a) such amendment, suspension or termination is in accordance with applicable laws and the results of any stock exchange on which the Common Shares are listed; (b) no such amendment, suspension or termination shall be made at any time to the extent such action would materially adversely affect the existing rights of a participant with respect to any then outstanding option without his or her consent in writing; and (c) the Company shall obtain shareholder approval for any amendment to the maximum number of shares issuable under the Stock Option Plan, any amendment that would reduce the exercise price of or extend the term of an outstanding option of an insider. The options granted under the Stock Option Plan are non-transferable.

(ii) *Restricted Share Units*

On October 1, 2008, the Company adopted the Restricted Share Unit Plan for Designated Executives (the "RSU Plan"). As described below, RSUs are used by the Company to provide certain executive officers (including the NEOs) with long-term incentive compensation that is measured against the achievement of certain performance objectives. As RSUs are granted based on past performance, executives are not considered eligible to receive grants of RSUs until the end of the fiscal year in which they join the Company. The amount of the grant is variable from year to year in relation to performance.

RSUs are granted on an annual basis and make up a portion of the annual long-term incentive compensation (currently at least 50%) of the NEO's long-term compensation. The number of RSUs included in a grant is determined by dividing the value of the RSU award by the average closing price of the Common Shares on the TSX for the five trading days immediately prior to the grant date which occurs after the end of the fiscal year in which the services to which the grant relates were rendered.

RSUs vest on December 1 of the third calendar year following the end of the calendar year in which the executive provided the services to which the grant relates (where such services straddle two calendar years, the first calendar year in which the services to which the grant of such RSUs relate were rendered) or such other date as may be specified in the terms of the grant.

Pursuant to the RSU Plan, at vesting, each RSU will have a value equal to the average closing price of one Common Share for the five trading days prior to the vesting date. Executives who continue in employment with the Company or one of its affiliates on the vesting date shall receive a payment in respect of the vested RSUs. RSUs may be forfeited in the event of cessation of the executive's employment by the Company and its affiliates prior to vesting.

Orvana believes that RSUs promote an ownership mentality in the Company and can serve to align the interests of executives with shareholders. The use of RSUs as a component of compensation is intended to more effectively correlate long-term incentive compensation to the Company's performance. In addition, while the value of both stock options and RSUs are tied to the Company's share price, unlike stock options, RSUs are not dilutive to shareholders' equity. The incentive, risk mitigation and retentive value of stock options can be limited in circumstances where, notwithstanding strong corporate and/or individual performance, the Company's share price is negatively impacted by external factors such that stock options have no value. In such circumstances, RSUs continue to have value, albeit reduced, and, consequently, continue to support executive retention and provide effective long-term incentive compensation. The vesting period for RSUs is intended to ensure that they act as long-term incentive compensation and provide a significant retention incentive.

(iii) *Stock Appreciation Rights*

The Board implemented a stock appreciation rights plan (the “SAR Plan”) commencing in respect of fiscal 2014. Pursuant to the SAR Plan, stock appreciation rights (“SARs”) will be issued to executives on an annual basis and make up a portion of the annual long-term incentive compensation package (currently 50% in respect of certain NEOs). Orvana believes that this long-term incentive vehicle will align executives with shareholders by driving growth in the share price of the Company without any dilutive effect on the Company’s shareholders due to the fact that SARs will be settled in cash. The SAR Plan is intended to help Orvana in attracting, motivating and retaining a goal driven management team through the use of a long-term incentive vehicle that is comparable to similar mining companies in the competitive marketplace.

SARs will vest equally on the first, second and third anniversaries following the date of grant. A holder of SARs will be entitled to receive a cash payment equal to the excess (if any) of the fair market value of the SARs as of the exercise date over the fair market value of the SARs as of the date of grant, as such terms are defined in the SAR Plan. The exercise period for the SARs will be the earlier of (i) December 24 (or such later date on or before December 31 as the Company may permit) of the first calendar year from and after the year in which the SAR vested and in which an increase in value has occurred over the fair market value of the SAR on the grant date, and (ii) the third anniversary of the date on which the SAR vested.

Subject to the terms of the SAR Plan, the Board will also be entitled to determine other terms or conditions of any SARs vesting, including, without limitation, the financial performance or results of the Company and the return to shareholders (with or without reference to other comparable companies).

Other Compensation

Benefits and perquisites are not intended to form a significant part of the overall executive compensation program. Orvana’s philosophy is to reward executives primarily through a performance-driven total compensation package. The Company’s NEOs do however receive benefits that the Company believes are reasonable and consistent with its overall executive compensation program. These benefits consist of medical, dental, disability, accidental death and dismemberment and life insurance.

How the Company Determines Executive Compensation - Report of Executive Compensation

In fiscal 2015, the (a) Compensation and Nominating Committee and (b) Corporate Governance Committee were combined to form the Compensation, Nominating and Corporate Governance Committee (the “Compensation/Governance Committee”). The Compensation/Governance Committee reviews each component of compensation for each NEO and makes compensation recommendations to the Board. In making its recommendations, the Compensation/Governance Committee considers, among other things, recommendations made by any external compensation consultant retained by the Compensation/Governance Committee, evaluations in respect of corporate and individual performance and the recommendations of the CEO in respect of the other NEOs. The Compensation/Governance Committee retains full discretion with respect to any recommendation of compensation awards and the Board retains full discretion with respect to granting all compensation awarded to the NEOs. The Board reviews the recommendations of the Compensation/Governance Committee and provides final approval of the compensation of the NEOs.

As at the date of the Circular, the Compensation/Governance Committee is comprised of Gordon Pridham (Chair), Gordon Bogden, Sara Magner and Audra Walsh. Mr. Pridham, Mr. Bogden and Ms. Walsh are independent directors of the Company (within the meaning of applicable Canadian securities laws). Ms. Magner is not an independent director of the Company by virtue of her position as the Corporate Secretary and General Counsel of Minera S.A., an affiliate of Fabulosa (the Company’s majority shareholder). Each such member of the Compensation/Governance Committee has extensive experience in the mining industry, managing businesses and managing executives. In such capacities, such members have addressed compensation and performance matters. The Compensation/Governance Committee also relied on external independent compensation consultants as discussed in more detail below.

In fiscal 2013, the Compensation/Governance Committee retained Global Governance Advisors (“GGA”), an independent executive compensation and governance advisory firm, to conduct the following: (i)

review the Compensation/Governance Committee's governance process in addressing executive compensation; (ii) review executive employment agreements; (iii) review and provide comments on each component of the Company's long-term incentive compensation; (iv) review and propose a new executive compensation philosophy for the Company; and (v) review and provide recommendations on executive compensation for fiscal 2014. The Compensation/Governance Committee considered the recommendations of GGA in its review and deliberations with respect to executive compensation in fiscal 2013 and fiscal 2014. The Board largely adopted the recommendations made by GGA and this formed the basis of executive compensation beginning in fiscal 2014.

GGA received a fee of \$50,430 for fiscal 2014 and \$38,330 for fiscal 2013 in connection with such compensation consulting services. GGA (or any of its affiliates) has not provided any other services to the Company.

To evaluate its level and manner of executive compensation and establish appropriate reference points, following discussions with GGA, the Compensation/Governance Committee established a benchmark group of comparably-sized, mid-tier mining companies based on an evaluation of the following criteria: (i) companies of similar (0.5x to 2x) size to Orvana, mostly from a total assets perspective, but also taking into account other factors such as market capitalization, revenue and number of employees, (ii) companies that are similar to Orvana in their operational nature, (iii) companies with multiple operations sites that are either operating or exploring, (iv) companies that operate mine sites in similar geographies, (v) companies that have both underground and open pit mines, (vi) companies that produce similar metals to Orvana, and (vii) companies that have a similar shareholding structure to Orvana. Based on the above criteria, the comparator group included (the "2013/2014 Comparator Group"): Alexco Resources Corporation, Aura Minerals Inc., Claude Resources, Inc., Crocodile Gold Corp., Endeavour Silver Corp., Fortuna Silver Mines Inc., Kirkland Lake Gold Inc., Lake Shore Gold Corp., Monument Mining Limited, Richmond Mines Inc., Sierra Metals Inc., St. Andrews Goldfields Ltd., Timmins Gold Corp. and Wesdome Gold Mines Ltd.

In respect of fiscal 2015, the Compensation/Governance Committee retained Roger Gurr & Associates ("RG") to obtain certain assistance in connection with its compensation mandate including the receipt of updates on (i) current mining sector compensation market information and trends affecting the approaches, levels and types of compensation provided to the Company's executives and (ii) general levels and trends to assist in the review of compensation in respect of fiscal 2015 and expected approaches to executive compensation at the end of calendar 2015 considering the Company's fiscal year end is September 30, 2015. A comparator group comprised of the following ten operating mining companies was generally considered in this review (collectively the "2015 Comparator Group"): Argonaut Gold Inc., Copper Mountain Mining Corporation, Endeavour Silver Corp., Great Panther Silver Ltd., Kirkland Lake Gold Inc., Luna Gold Corp., Richmond Mines Inc., St. Andrew Goldfields Ltd., Timmins Gold Corp. and Trevali Mining Corporation. These companies were considered similar in size, production and complexity as Orvana.

RG received a fee of \$10,000 for fiscal 2015 in connection with such compensation consulting services. RG (or any of its affiliates) has not provided any other services to the Company.

As a guiding principle in determining executive compensation, Orvana has been seeking to position base salaries and target annual and long-term incentive awards near the effective median of its competitive market, with the opportunity for an executive to earn above median total compensation for superior performance. Base salaries have been reviewed annually by the Compensation/Governance Committee following which a recommendation regarding base salary for the upcoming year is provided to the Board. In its annual review, the Committee considers the compensation levels in benchmark companies to ensure that the base salary of each NEO properly reflects Orvana's goal of setting compensation relative to benchmark companies as well as the NEO's expertise and performance in fulfilling their role and responsibilities.

To determine the amounts of bonus and long-term incentive compensation, target amounts were established for short-term bonus and long-term incentive compensation of each NEO with reference to the benchmark companies and the guiding principle that Orvana establish target annual and long-term incentive awards near the effective median of its competitive market, with the opportunity for an executive to earn above median total compensation for superior performance.

The Compensation/Governance Committee works with the CEO and the other NEOs to establish key

performance objectives designed to reflect both the Company's short-term goals and its long-term strategic objectives. The Compensation/Governance Committee also considers major risks that face the Company such as health, safety and environmental risks, and ensures that the objectives of the NEOs include managing such risks. The amount of incentive compensation is determined in part by the Company achieving such objectives and in part by the overall view of the executive's effectiveness and contribution to the Company.

The NEOs may not sell "short" or sell a "call option" on any securities of the Company or purchase a "put option" where they do not own the underlying securities.

Compensation Decisions for the Year Ended September 30, 2015

During the 2015 fiscal year, the NEOs were (i) Ms. Daniella Dimitrov, the current President and CEO, effective March 30, 2015 and the former CFO (until March 29, 2015); (ii) Mr. Michael Winship, the former CEO (until March 30, 2015); (iii) Mr. Jeffrey Hillis, the current CFO, effective April 13, 2015; (iv) Mr. Neil Ringdahl, the former COO (until April 21, 2015); (v) Mr. John Bracale, the President during fiscal 2015 and current Vice President, of Empresa Mineral Paititi S.A. ("EMIPA") through which the Company holds its Don Mario Mine in Bolivia ("Don Mario"); and (vi) Mr. João Nunes, General Manager of OroValle Minerals, S.L. ("Orovalle"), through which the Company holds its El Valle and Carlés mines in Spain ("El Valle").

The performance objectives established for fiscal 2015 included: (i) health, safety and environment; (ii) operations, production and product quality; (iii) financial condition including balance sheet management, operating costs, capital expenditures; (iv) people development; and (v) growth, including organic growth through the increase of mineral reserves and resources and external growth through corporate transactions. The Compensation/Governance Committee considered the fact that each of the CEO and the CFO were in their respective positions for only a portion of fiscal 2015 and were not specifically involved in the determination of the performance objectives in respect of each of their positions for fiscal 2015.

Following the completion of fiscal 2015, the Compensation/Governance Committee reviewed corporate performance in respect of fiscal 2015 and the success of each NEO in achieving the objectives and considered the following performance achievements in making its recommendations for executive compensation of the NEOs to the Board in respect of fiscal 2015:

- In this transition year, the Company achieved production of 125,367 gold equivalent ounces compared to 137,441 gold equivalent ounces in fiscal 2014, a decrease of 9%. Gold production experienced a 13% decrease compared to 2014 and copper production experienced a 7% increase. Through an increase in productivity rates, the Company replaced one-third of the lost gold production resulting from the closure of Carlés Mine in Spain in the second half of 2015 (which represented one-third of the mine production in 2014) along with the oxides contractor transition implemented at the end of April 2015.
- The Company completed its deleveraging, a focus that commenced in mid-2012. There was a continued decrease in outstanding debt balances in fiscal 2015 including the repayment of \$23.8 million in debt principal and interest. The Company completed the repayment of a \$63.8 million loan in November 2014, two years ahead of schedule. The Company started fiscal 2015 with \$16.5 million in cash and \$56.4 million in current liabilities and ended fiscal 2015 with \$17.2 million in cash and \$26.8 million in current liabilities including \$1.5 million in debt. Capital expenditures were \$10.1 million, a decrease of 30% from fiscal 2014.
- The Company successfully cut costs during 2015. By the end of 2015, fixed monthly costs at El Valle were reduced by 11% compared with the start of the year. There was a negative impact on the cash operating costs and all-in sustaining costs due to lower gold sales and lower copper/silver by-product revenue, which represented 40% of Orvana's revenue.
- During fiscal 2015, the Company increased its focus on talent management, retention and overall culture and achieved stability in management roles. This improved the knowledge base of the Company and led to further continuity of strategy.

- The Company has improved the management of its relationship with unions and earned union support. After three years of negotiations at El Valle, a four year CBA was signed at the end of April 2015. At Don Mario, annual union negotiations were successfully completed with EMIPA's workforce.
- The Company discovered new resources extending the life of mine at Don Mario.

The Compensation/Governance Committee also considered, among others, the following factors in its approach to compensation in respect of fiscal 2015 in addition to Orvana's performance and individual performance: (i) continuing challenging economics facing the global mining sector, (ii) focus on reducing costs and Orvana's financial condition, (iii) lower cash compensation and the continued alignment and linkage of executive pay with share performance, and (iv) the reduced number of senior executives managing Orvana's operations and strategic direction (four executives comprised of the CEO and CFO in head office and the heads of each of Orvana's two operations) relative to the size and complexity of the organization and general comparison of compensation levels of such executives with similar positions in the 2015 Comparator Group.

The key determinations and recommendations of the Compensation/Governance Committee in respect of fiscal 2015 compensation were as follows: (i) salary of the current CEO and CFO in fiscal 2015 were lower than the previous individuals in these positions and at or below median compared to the 2015 Comparator Group, (ii) salary levels would be frozen in respect of fiscal 2016, (iii) short-term bonus awards reduced to 50% of target amounts with one-half of such awards granted in the form of RSUs ("STIP RSUs") and deferred to October 1, 2016 resulting in cash bonuses in the range of approximately 10% of base salary being paid currently, and (iv) long-term bonus awards reduced to 75% to 85% of target amounts and based on the share price on the grant date such that, as the share price recovers, there could be considerable upside to executive compensation to provide stronger linkage with executive pay and shareholder value in the future.

The STIP RSUs were issued at a price of \$0.1276 and vest on October 1, 2016. The long-term incentive compensation for each NEO was issued as to 50% in RSUs ("LTIP RSUs") and 50% in SARs. The LTIP RSUs were issued at a price of \$0.1270 and vest on December 1, 2017. The SARs granted to the NEOs represent twice the number of LTIP RSUs issued in respect of fiscal 2015 and were issued with the Initial Fair Market Value (as such term is defined in the SARs Plan) of \$0.12 representing the closing price of the Common Shares on the date of the grant. For the purposes of this disclosure, the long-term compensation was valued as follows: (i) in respect of the STIP RSUs, the value per RSU was determined by the volume weighted average close price of the Common Shares on the five trading days prior to the grant date, (ii) in respect of the LTIP RSUs, the value per RSU was determined by the simple average close price of the Common Shares on the five trading days prior to the grant date, and (iii) in respect of the SARs, the value per SAR was determined by the Black-Scholes model with a valuation date of December 31, 2015. Please refer to the "Summary Compensation Table" below for further detail.

CEO and Former CEO

Ms. Dimitrov, the CFO of the Company at the commencement of fiscal year 2015, was appointed President and CEO of the Company, effective March 30, 2015. In her capacity as President and CEO, Ms. Dimitrov's base salary was \$390,000. The targeted amounts for each of annual performance bonus and long-term incentive compensation were established as 50% to a maximum of 75%, and 100% to a maximum of 120%, respectively, of her base salary. The combined maximum for the annual performance bonus and long-term incentive compensation was limited to 195% of her base salary.

In her capacity as CFO, Ms. Dimitrov's base salary was \$318,000. The targeted amounts for each of annual performance bonus and long-term incentive compensation were established as 40% to a maximum of 60% and 80% to a maximum of 120%, respectively, of her base salary. The combined maximum for the annual performance bonus and long-term incentive compensation was limited to 180% of her base salary.

In connection with her performance in fiscal 2015, Ms. Dimitrov was compensated based on both her roles as CEO and CFO. She received (i) an annual performance bonus of \$40,275 and STIP RSUs of \$44,302 representing a total of 25% out of the targeted amount of 50% of her base salary as CEO and a total of 20% out of the targeted amount of 40% of her base salary as CFO and (ii) long-term incentive

compensation with a total value of \$273,870 representing 85% of the targeted amount of 100% of Ms. Dimitrov's base salary as CEO and representing 68% of the targeted amount of 80% of Ms. Dimitrov's base salary as CFO. Ms. Dimitrov was issued 347,198 STIP RSUs, 1,078,228 LTIP RSUs and 2,156,457 SARs as part of her compensation.

Mr. Winship was the President and CEO of the Company until March 30, 2015 and an employee of the Company through April 17, 2015 at a salary was \$420,000 per annum. The targeted amounts for each of annual performance bonus and long-term incentive compensation were established as 50% to a maximum of 75%, and 100% to a maximum of 150%, respectively, of his base salary. The combined maximum for the annual performance bonus and long-term incentive compensation was limited to 225% of his base salary.

In connection with his retirement, Mr. Winship received a retirement allowance of \$576,000, part of which is payable over a twelve month period until April 2016. Mr. Winship also received the amount necessary to maintain his participation in the Company's group medical and dental benefit plan until April 2016. As at the date of this circular, Mr. Winship has options to purchase 125,000 Common Shares at \$1.02 and options to purchase 25,000 common shares at \$1.05, all of which will expire on April 17, 2016. Mr. Winship received a payment of \$29,381 in respect of a portion of his RSUs on December 1, 2015. Mr. Winship has no outstanding RSUs or SARs as of the date of the Circular.

CFO and Former CFO

Mr. Hillis was appointed CFO of the Company on April 13, 2015. Mr. Hillis' base salary was \$255,000. The targeted amounts for each of annual performance bonus and long-term incentive compensation were established as 40% to a maximum of 60% and 80% to a maximum of 100%, respectively of his base salary. The combined maximum for the annual performance bonus and long-term incentive compensation was limited to 160% of his base salary.

In connection with his performance in fiscal 2015, Mr. Hillis received (i) an annual performance bonus of \$12,750 and STIP RSUs of \$14,025 representing a total of 20% of the targeted amount of 40% of his base salary pro-rated based on appointment date, and (ii) long-term incentive compensation with a total value of \$78,600 representing approximately 60% of the targeted amount of 80% of his base salary, pro-rated based on his April 13, 2015 appointment date. Mr. Hillis was issued 109,914 STIP RSUs, 301,181 LTIP RSUs and 602,362 SARs as part of his compensation.

Ms. Dimitrov was the CFO of the Company at the commencement of fiscal year 2015 and was appointed President and CEO of the Company, effective March 30, 2015. See "CEO" above for disclosure on Ms. Dimitrov's compensation as both CFO and CEO during fiscal 2015.

Former COO

Neil Ringdahl held the position of COO of the Company until April 21, 2015. In his capacity as COO, Mr. Ringdahl's base salary in respect of fiscal 2015 was \$312,000. The targeted amounts for each of annual performance bonus and long-term incentive compensation were established as 40% to a maximum of 60% and 80% to a maximum of 120%, respectively, of his base salary. The combined maximum for the annual performance bonus and long-term incentive compensation was limited to 180% of his base salary. As Mr. Ringdahl ceased to be an employee of the Company on April 21, 2015, Mr. Ringdahl did not receive an annual performance bonus or any long-term incentive compensation in respect of fiscal 2015.

In connection with his retirement, Mr. Ringdahl received a retirement allowance of \$156,000. As at the date of this circular, Mr. Ringdahl has options to purchase 33,333 Common Shares at \$0.53, which will expire on April 17, 2016. Mr. Ringdahl has no outstanding RSUs or SARs as of the date of the Circular.

Head of Empresa Minera Paititi S.A.

Mr. Bracale was appointed President, EMIPA, a wholly-owned subsidiary of the Company which owns and operates the Don Mario mine in Bolivia, effective October 31, 2013. Subsequent to fiscal 2015, Mr. Bracale became the Vice President of EMIPA, effective November 1, 2015.

In his capacity as President, Mr. Bracale's base salary was \$280,245 (US\$210,000) in fiscal 2015. Mr. Bracale received (i) an annual performance bonus of \$24,555 (US\$18,400) and STIP RSUs of \$28,023 representing a total of 18% of the targeted amount of 35% of his base, (ii) and long-term incentive compensation with a total value of \$109,329 representing approximately 38% of the targeted amount of

50% of Mr. Bracale's base salary. Mr. Bracale was issued 219,616 STIP RSUs 430,431 LTIP RSUs and 860,862 SARs as part of his compensation.

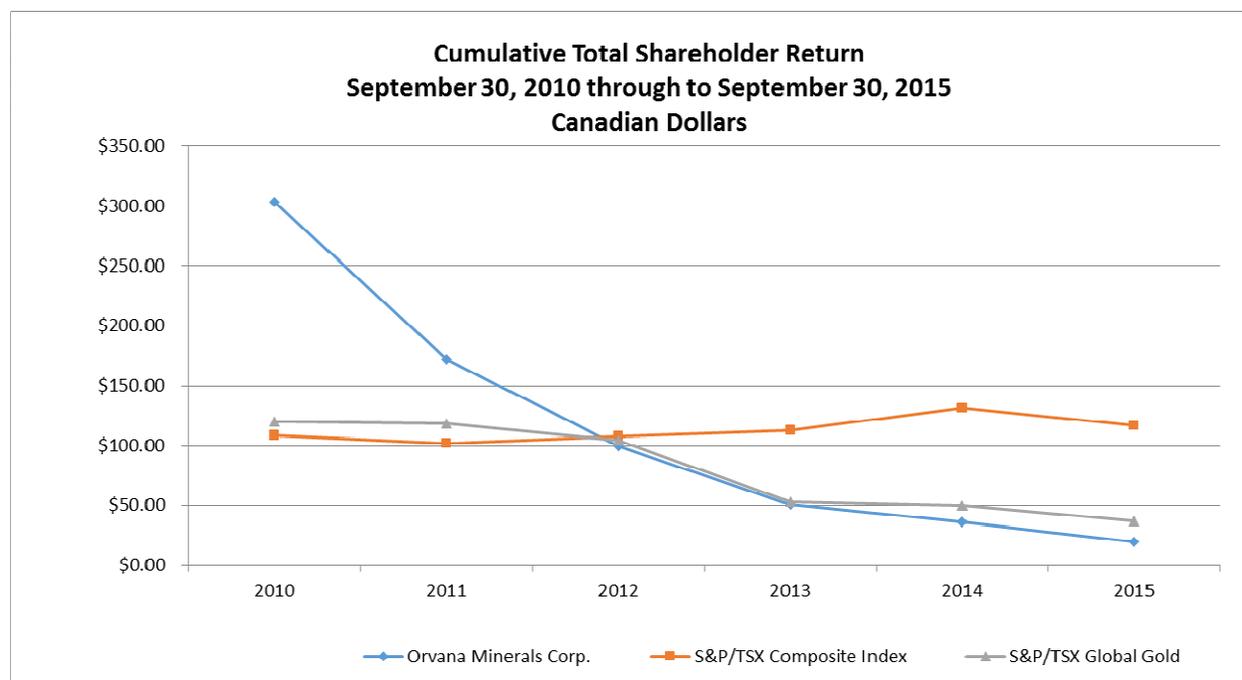
Head of OroValle Minerals S.L.

Mr. Nunes has been engaged as an employee of OroValle, a wholly-owned subsidiary of the Company which owns and operates the Company's El Valle and Carlés mines in Spain, since February 26, 2014 and was appointed as General Manager, OroValle, effective August 25, 2014.

Mr. Nunes' base salary was \$248,061 (€165,000) in fiscal 2015. Mr. Nunes received (i) an annual performance bonus of \$23,303 (€15,500) and STIP RSUs of \$25,825 representing a total of 18% of the targeted amount of 35% of Mr. Nunes' base salary, and (ii) long-term incentive compensation with a total value of \$114,125 representing approximately 43% of the targeted amount of 50% of Mr. Nunes' base salary. Mr. Nunes was issued 202,389 STIP RSUs, 449,312 LTIP RSUs and 898,625 SARs as part of his compensation.

Performance Graph

The following graph compares the yearly percentage change in the Company's cumulative total shareholder return on its Common Shares with the cumulative total return of the S&P/TSX Composite Index (the "S&P/TSX Index") and the S&P/TSX Global Gold Index for the five most recently completed fiscal years. The graph illustrates the cumulative return on a \$100 investment in Common Shares made on September 30, 2010 as compared with the cumulative return on a \$100 investment in the S&P/TSX Index and the S&P/TSX Global Gold Index made on the same date. The Common Share performance as set out in the graph does not necessarily indicate future price performance.



Year ended September 30	2010	2011	2012	2013	2014	2015
Orvana Minerals Corp.	\$303.37	\$171.91	\$100.00	\$50.56	\$35.96	\$20.22
S&P/TSX Composite Index	\$108.54	\$102.01	\$108.10	\$112.22	\$131.29	\$116.78
S&P/TSX Global Gold Index	\$119.68	\$117.96	\$104.35	\$52.59	\$49.75	\$37.09

The Compensation/Governance Committee is of the view that the trend in the Company's share price shown in the performance graph is consistent with the trend in the Company's performance and compensation to officers of the Company during that period, taking into account the following factors:

- During fiscal 2011 and 2012, the Company advanced both of its current operations, El Valle and Don Mario, into commercial production. Both operations experienced initial start-up challenges during fiscal 2012 and into fiscal 2013 which have since been successfully resolved. The Company has increased its copper production year-over-year in fiscal 2012, 2013, 2014 and 2015. The Company has increased its gold production year-over-year in fiscal 2012, 2013 and 2014. Gold production was lower in fiscal 2015 in part as a result of placing Carlés Mine on care and maintenance in February 2015 to focus on production at El Valle Mine and the transition from contractor mining to owner/operator mining at El Valle Mine. Carlés Mine represented approximately one-third of the tonnes mined per day at OroValle's operations. In the second half of fiscal 2015, productivity at El Valle increased and approximately 33% of the previous Carlés Mine skarns production has been replaced.
- The Company assumed over \$74 million in debt in order to advance the two operations into commercial production with payments under these obligations commencing in mid-fiscal 2012. The Company completed the repayment of \$64 million in long-term debt in November 2014, two years ahead of the original maturity date in respect of such debt. As at the date of this Circular, the Company had \$2.0 million in total debt outstanding.
- The Company has been transitioning its management team with a new CEO and CFO during fiscal 2015.
- Since the beginning of 2013 to the date of this Circular, gold prices fell from the historical high levels. The gold industry has been uniformly affected by falling gold prices as reflected in the year-over-year decline of the S&P/TSX Global Gold Index and in the Company's share performance.
- The Company's executive compensation program is designed to be competitive with a long-term view in order to attract, engage and retain high performing talent.

Summary Compensation Table

The following table sets forth information concerning the compensation earned from the Company and any of the Company's subsidiaries by each person who was an NEO during the fiscal year ended September 30, 2015. Salaries for the current NEOs are set and paid in Canadian dollars with the exceptions of (i) Mr. John Bracale who is paid in U.S. dollars, and (ii) Mr. João Nunes who is paid in Euros. For reporting purposes, the compensation information set out in the below tables for each of Messrs. Bracale and Nunes has been converted to Canadian dollars at the exchange rate of US\$1.00 = \$1.3345 (based on the Bank of Canada closing rate for September 30, 2015) and Mr. Nunes' compensation information has been converted to Canadian dollars at the exchange rate of €1.00 = \$1.5034 (based on the European Central Bank closing rate for September 30, 2015).

Summary Compensation Table for Fiscal Year ended September 30, 2015

Name and principal position	Year	Salary (\$)	Share-based awards (\$) ⁽⁷⁾	Option-based awards (\$) ⁽⁸⁾⁽⁹⁾	Non-equity incentive plan compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual incentive plan ⁽¹⁰⁾	Long-term incentive plans			
Daniella Dimitrov ⁽¹⁾ President and CEO and CFO	2015	354,500	181,237	144,483	40,275	Nil	Nil	17,725	738,220
	2014	300,000	132,000	119,177	162,000	Nil	Nil	15,000	728,177
	2013	250,000	85,000	85,000	85,000	Nil	Nil	62,500	567,500
Michael Winship ⁽²⁾ Former President and CEO	2015	222,083	Nil	Nil	Nil	Nil	Nil	589,890	811,673
	2014	390,000	156,000	140,846	156,000	Nil	Nil	19,500	862,346
	2013	243,821	85,000	171,200	Nil	Nil	Nil	45,627	545,648
Jeffrey Hillis ⁽³⁾ CFO	2015	116,875	52,275	61,258	12,750	Nil	Nil	5,844	249,002
	2014	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Neil Ringdahl ⁽⁴⁾ Former COO	2015	182,693	Nil	Nil	Nil	Nil	Nil	179,361	362,055
	2014	87,909	32,800	57,814	44,800	Nil	Nil	Nil	223,323
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
John Bracale ⁽⁵⁾ Former President, EMIPA Current Vice President, EMIPA	2015	280,245	82,688	57,678	24,555	Nil	Nil	98,883	544,048
	2014	184,791	32,492	58,936	64,984	Nil	Nil	61,812	403,015
	2013	Nil	Nil	Nil	Nil	Nil	Nil	9,594	9,594
João Nunes ⁽⁶⁾ General Manager, OroValle	2015	265,565	82,887	60,208	23,303	Nil	Nil	Nil	431,963
	2014	31,671	22,036	40,796	44,072	Nil	Nil	97,750	236,325
	2013	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- (1) Ms. Dimitrov was the CFO of the Company from June 1, 2012 to March 29, 2015. Ms. Dimitrov became the President and CEO on March 30, 2015 and a director of the Company on April 1, 2015. Ms. Dimitrov's effective annual salary as President and CEO during 2015 was \$390,000, commencing on her appointment.
- (2) Mr. Winship was an independent director of the Company from February 28, 2013 to April 7, 2013. Mr. Winship was appointed as Interim President and CEO of the Company effective April 7, 2013 and was subsequently appointed President and CEO of the Company effective October 1, 2013. On March 30, 2015, Mr. Winship retired as President and CEO of the Company and was retained as an employee until April 17, 2015 under the same terms. Mr. Winship's effective annual salary during fiscal 2015 was \$420,000. Amounts under "All Other Compensation" include director's fees in respect of fiscal 2013, and retiring allowance and other retiring benefits in respect of fiscal 2015.
- (3) Mr. Hillis was appointed the CFO of the Company on April 13, 2015. Mr. Hillis's effective annual salary during 2015 was \$255,000.
- (4) Mr. Ringdahl was appointed the COO of the Company on June 2, 2014. Mr. Ringdahl's effective annual salary during fiscal 2015 was \$312,000.
- (5) Mr. Bracale was appointed as President of EMIPA on November 1, 2013. The amount under "All Other Compensation" in 2013 represents the amount paid to Mr. Bracale for certain consulting work completed prior to joining full-time. Subsequent to fiscal 2015, Mr. Bracale became the Vice President of EMIPA, effective November 1, 2015. As Vice President Mr. Bracale receives a base salary of \$213,520.00 (US\$160,000) and similar incentives and benefits as his role as President.
- (6) Mr. Nunes has been engaged as an employee of OroValle since February 26, 2014 and was appointed as General Manager, OroValle, effective August 25, 2014. Amounts included under "All Other Compensation" for 2014 include fees earned by Mr. Nunes as an employee of OroValle from February 26, 2014 to August 25, 2014 totaling €69,533.
- (7) These amounts represent the value of RSUs granted to the respective NEO on the grant date. In respect of fiscal 2015, the number of STIP RSUs and LTIP RSUs granted to each executive represents the amount set out in the table divided by \$0.1276 in respect of STIP RSUs and \$0.1270 in respect of LTIP RSUs. In respect of fiscal 2014, the number of RSUs granted to each executive represents the amount set out in the table divided by \$0.35 which represents the average close price of the Common Shares on the last five trading days of fiscal 2014. In respect of fiscal 2013, the number of RSUs granted to each executive represents the amount set out in the table divided by \$0.46 which represents the average close price of the Common Shares on the last five trading days of fiscal 2013.
- (8) These amounts include the U.S. dollar grant date fair value of stock options granted to the respective NEOs. Mr. Hillis was granted 100,000 options on May 14, 2015. The methodology used to calculate the amount of this grant was the Black-Scholes model and the following assumptions were used: volatility of 68.5%, dividend yield of nil, interest rate of 0.86%, expected life of 5 years and exercise price of \$0.37. There is no difference between the Black-Scholes compensation value of the stock options and the accounting fair value for financial statements purposes.
- (9) Each of the NEOs was issued SARs in respect of fiscal 2014 and 2015 and Mr. Winship and Ms. Dimitrov were issued SARs in respect of fiscal 2013. The methodology used to calculate the value of the SARs granted to each NEO included in the table was the Black-Scholes model using the following assumptions: (i) for 2015, volatility of 65.7%, dividend yield of nil, interest rate of 0.62%, expected life of 4 years and exercise price of \$0.12; (ii) for 2014, volatility of 62.4%, dividend yield of nil, interest rate of 1.50%, expected life of 4 years and exercise price of \$0.32; and (iii) for 2013, volatility of 63.0%, dividend yield of nil, interest rate of 1.21%, expected life of 3 years and exercise price of \$0.35. There is a difference in the valuation

methodology in respect of these SARs for the purposes of the Circular and the accounting fair value for the purposes of the Company's financial statements.

- (10) Amounts under "Annual incentive plan" represented cash bonuses as part of the NEO's short-term incentive compensation paid in respect of such fiscal year.

Incentive Plan Awards

The following table provides information regarding all incentive plan awards for each NEO outstanding as of September 30, 2015.

Outstanding Share-based Awards and Option-based Awards as at September 30, 2015

Option-based Awards ⁽¹⁾					Share-based Awards ⁽⁵⁾		
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽²⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share-based awards that have not vested (\$)	Market or payout value of share-based awards that have vested (\$)
Daniella Dimitrov	125,000 100,000	\$0.88 \$0.86	March 28, 2017 June 1, 2017	Nil Nil	561,925	101,147	Nil
Michael Winship ⁽³⁾	125,000 25,000	\$1.02 \$1.05	April 17, 2016 April 17, 2016	Nil Nil	184,786	33,261	Nil
Jeffrey Hillis	100,000	\$0.37	May 14, 2020	Nil	Nil	Nil	Nil
Neil Ringdahl ⁽⁴⁾	33,333	\$0.53	April 21, 2016	Nil	Nil	Nil	Nil
John Bracale	100,000	\$0.43	December 16, 2018	Nil	92,834	16,710	Nil
João Nunes	100,000	\$0.41	August 21, 2019	Nil	62,960	11,333	Nil

- (1) The Option-based Awards disclosed in the above table do not include the SARs which have been issued to the NEOs pursuant to the SARs Plan. As at September 30, 2015, Mr. Winship held 123,188 SARs, Ms. Dimitrov held 1,123,851 SARs, Mr. Nunes held 125,921 SARs and Mr. Bracale held 185,669 SARs. Grants made on December 31, 2015 in respect of fiscal 2015 have been disclosed above under "Compensation Decisions for the Year Ended September 30, 2015". The value of unexercised SARs at September 30, 2015 was nil.
- (2) Calculated using the closing price of the Common Shares on the TSX on September 30, 2015 of \$0.18 and subtracting the exercise price of the outstanding stock options.
- (3) Mr. Winship retired as CEO of the Company effective March 30, 2015. Pursuant to the terms of the Stock Option Plan, the stock options held by Mr. Winship will expire on April 17, 2016. Mr. Winship's outstanding RSUs vested in December 2015 at which time he received a payment of \$29,381.
- (4) Mr. Ringdahl retired as COO of the Company effective April 21, 2015. Pursuant to the terms of the Stock Option Plan, the stock options held by Mr. Ringdahl will expire on April 21, 2016.
- (5) Subsequent to the end of fiscal 2015, each NEO was granted RSUs pursuant to the RSU Plan in December 2015. These RSUs are not included in the Share-based Awards disclosed in the table above as they were not outstanding at September 30, 2015. Please see "Compensation Decisions for the Year Ended September 30, 2015" for additional disclosure on these RSUs.

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for each NEO for the fiscal year ended September 30, 2015.

Incentive Plan Awards Vested or Earned During Fiscal Year ended September 30, 2015

Name	Option-based awards – value vested during year (\$)	Share-based awards – value vested during year (\$) ⁽¹⁾	Non-equity incentive plan compensation – value earned during year (\$)
Daniella Dimitrov	Nil	19,912	\$40,275
Michael Winship	Nil	Nil	Nil
Jeffrey Hillis	Nil	Nil	\$12,750
Neil Ringdahl	Nil	Nil	Nil
John Bracale	Nil	Nil	\$24,555
João Nunes	Nil	Nil	\$23,303

(1) LTIP RSU awards vest on December 1 of the second year after the end of the fiscal year in which they are granted. The value vested is calculated using the five day average close price of the Common Shares prior to December 1, 2014 of \$0.30. Details regarding the RSU Plan, RSUs, the process for awarding RSUs and RSU awards are provided above under "Executive Compensation - Compensation Discussion and Analysis".

Termination and Change of Control Benefits

The Company or one of its affiliates has entered into an agreement with certain of the NEOs that sets out the terms of his or her employment, including the executive's entitlements in the event of the termination of such employment.

Each of Ms. Dimitrov, Mr. Hillis and Mr. Bracale have written employment agreements with the Company or one of its subsidiaries. Under the terms of their respective agreements, in the event that they are unable to perform their duties for 180 days out of any consecutive 12-month period, the Company or the affiliate employing the employee may choose to terminate their employment. In the event of such a termination, Ms. Dimitrov, Mr. Hillis and Mr. Bracale will be entitled to (i) an amount equal to four months of their base salary; and (ii) an amount equal to one-third of the short term incentive compensation for the most recently completed financial year for which short term incentive compensation has been awarded.

In the event that the Company or the affiliate employing the employee terminates the employment of Ms. Dimitrov, Mr. Hillis or Mr. Bracale, without cause or in the event that either Ms. Dimitrov, Mr. Hillis or Mr. Bracale resigns for good reason, the Company will be required to pay to Ms. Dimitrov, Mr. Hillis and Mr. Bracale: (a) an amount equal to 24 months' base salary for Ms. Dimitrov, the last 12 months of which are subject to mitigation by Ms. Dimitrov; an amount equal to 18 months' base salary for Mr. Hillis, the last 6 months of which are subject to mitigation by Mr. Hillis; an amount equal to base salary for the number of months remaining of the term of his employment agreement for Mr. Bracale; (b) in respect of Ms. Dimitrov and Mr. Hillis, a lump sum pro-rata bonus amount equal to the product of (i) one year's annual short term incentive compensation (based on the amount of short term incentive compensation awarded for the most recently completed financial year for which short term incentive compensation has been awarded), and (ii) a fraction, the numerator of which shall be the number of days Ms. Dimitrov or Mr. Hillis, as the case may be, was employed by the Corporation in the calendar year before the termination and the denominator of which shall be 365; and (c) such amount necessary to maintain their participation in any benefit plan that they participated in immediately prior to the termination date, in the case of Ms. Dimitrov, for a period of 24 months following termination, the last 12 months of which are subject to mitigation by Ms. Dimitrov, in the case of Mr. Hillis, for a period of 12 months following termination and, in the case of Mr. Bracale, for the remainder of the term of his employment agreement.

No notice or severance payment is required for a termination for cause.

In the event of either a termination due to disability or a termination without cause/resignation for good reason, any entitlements in respect of SARs granted to Ms. Dimitrov or Mr. Hillis following the date of their respective employment agreement and which have vested as of the date of termination of employment shall continue to be exercisable for a period of 15 business days and any entitlements in respect of SARs granted to Ms. Dimitrov or Mr. Hillis following the date of their respective employment

agreement and which are unvested as at the date of termination will cease and no longer be exercisable or payable. Any entitlements of Ms. Dimitrov or Mr. Hillis in respect of RSUs or long term incentive compensation granted to such executives prior to the date of their respective employment agreements will, following the date of termination, be governed by the terms of the agreements under which such grants were made. Any entitlements in respect of long term incentive compensation granted to Mr. Bracale following the date of his employment agreement and which have vested as of the date of termination of employment will, in the case of termination without cause/resignation for good reason, continue to be exercisable for a period of 90 business days and, in the case of termination due to disability, continue to be exercisable the number of days permitted by the terms of the long-term incentive compensation plan. Any entitlements of Mr. Bracale in respect of long term incentive compensation granted to him prior to the date of his employment agreement will, following the date of termination, be governed by the terms of the agreements under which such grants were made. Refer to “Long-Term Incentive Compensation” for information regarding the Company’s RSU Plan, Stock Option Plan and SAR Plan.

In the event that, prior to the second anniversary following a “change of control”, the Company terminates the employment of Ms. Dimitrov or Mr. Hillis without cause or in the event that Ms. Dimitrov or Mr. Hillis resign for good reason (as such term is defined in their respective employment agreements), the Company will be required to pay to Ms. Dimitrov and Mr. Hillis: (a) an amount equal to 24 months’ base salary; (b) two years’ annual short term incentive compensation, and (c) such amount necessary to maintain their participation in any benefit plan that they participated in immediately prior to the termination date for a period of 24 months following termination, the last 12 months of which are subject to mitigation by Ms. Dimitrov or Mr. Hillis, as the case may be. In addition, in the case of Ms. Dimitrov and Mr. Hillis, any entitlements in respect of long term incentive compensation which are unvested as at the date of termination shall fully vest immediately on the date of termination and all entitlements in respect of long term incentive compensation shall continue to be exercisable for a period of 15 business days following termination. For the purposes of these employment agreements, a “change of control” arises where: (i) any person, or any group of persons acting jointly or in concert, (other than Fabulosa or any affiliate thereof) becomes the beneficial owner, directly or indirectly, of more than 50% of Orvana’s then outstanding voting securities; (ii) an amalgamation or arrangement of Orvana with or into any person, or any other corporate reorganization takes place, which results in the shareholders of Orvana prior to such amalgamation, arrangement or reorganization owning less than 50% of the outstanding voting securities of the entity resulting from the transaction; (iii) Orvana sells, leases or otherwise disposes of all or substantially all of the Company’s consolidated assets, other than to an affiliated entity; or (iv) Orvana completes a going private transaction.

In the even of his termination, Mr. Nunes receives the minimum notice and severance payment period prescribed under the applicable employment legislation in Spain, which is comparable to the entitlements of similarly positioned executives at the Company.

The following table provides details regarding the estimated incremental payments by the Company to the executives indicated below under the above-described agreements in the event of (i) termination without cause/resignation for good reason, and (ii) termination without cause upon a “change of control”, assuming the event took place on September 30, 2015.

Estimated Incremental Payment on Termination as at September 30, 2015

Name	Triggering Event	Base Salary (\$) ⁽¹⁾	Bonus Under Short Term Incentive Compensation (\$)	Long Term Incentive Compensation (\$) ⁽²⁾	Other Benefits (\$)	Total (\$)
Daniella Dimitrov President and CEO	Termination Without Cause/Resignation for Good Reason	780,000	84,577	40,500	15,014	920,091
	Termination on Change of Control	780,000	169,154	40,500	15,014	1,004,668
Jeffrey Hillis CFO	Termination Without Cause/Resignation for Good Reason	382,500	11,461	12,000	14,793	420,754
	Termination on Change of Control	510,000	53,550	12,000	14,793	590,343
John Bracale ⁽³⁾ Former President, EMIPA Current Vice President, EMIPA	Termination Without Cause/Resignation for Good Reason	23,354	Nil	Nil	562	23,879
	Termination on Change of Control	Nil	Nil	Nil	Nil	Nil
João Nunes General Manager, OroValle	Termination Without Cause/Resignation for Good Reason	Nil	Nil	Nil	Nil	Nil
	Termination on Change of Control	Nil	Nil	Nil	Nil	Nil

- (1) Amounts set out under "Base Salary" were calculated using the base salary in effect at September 30, 2015 in respect of Ms. Dimitrov, Mr. Hillis and Mr. Nunes. The amount set out under "Base Salary" was calculated using the base salary of Mr. Bracale as of the date of this Circular.
- (2) Amounts set out under "Long-Term Incentive Compensation" were calculated based on the long-term incentive compensation vested at September 30, 2015 and the closing price of the Common Shares on September 30, 2015 of \$0.18.
- (3) After the end of fiscal 2015, Mr. Bracale became Vice-President of EMIPA effective November 1, 2015 with a term ending October 31, 2016. His base salary as Vice-President of EMIPA is \$213,520 (US\$160,000). The termination provisions of his contract did not change. If Mr. Bracale was terminated without cause or resigned for good reason as of the date of this Circular, his estimated incremental payments on termination would be approximately base salary of \$177,933 and other benefits of \$5,250.

DIRECTORS' COMPENSATION

Cash Fees and Expenses

From October 1, 2014 to September 30, 2015, non-management directors received annual fees of \$25,000. In addition, the Chairman of the Board received annual fees of \$35,000. The Chair of the Audit Committee was paid an additional annual fee of \$15,000, the Chair of each of the Compensation and Nominating Committee (when it existed), Compensation/Governance Committee and the Technical, Safety, Health, Environment and Sustainability Committee were paid an additional annual fee of \$10,000 and the Chair of each of the Strategy Committee (when it existed) and the Corporate Governance Committee (when it existed) were paid an additional annual fee of \$7,500 for serving in such capacity. In addition, members of the Audit Committee received an annual fee of \$7,500, members of the Compensation and Nominating Committee (when it existed), the Compensation/Governance Committee and the Technical, Safety, Health, Environment and Sustainability Committee received an annual fee of \$5,000 and members of the Strategy Committee and the Corporate Governance Committee (when it existed) received an annual fee of \$3,750. The annual fees paid in respect of the Compensation and Nominating Committee, Compensation/Governance Committee and Corporate Governance Committee were pro-rated for the portion of the year each of such committee existed.

In addition to the annual fees, each non-management director was paid a fee of \$1,500 for each Board or committee meeting attended in person and a fee of \$1,000 for each meeting attended by telephone. If a Board meeting and a committee meeting take place on the same day, no separate meeting fee is paid for the committee meeting. All reasonable expenses incurred by directors in attending meetings of the Board, committees of the Board or shareholders' meetings, together with all expenses reasonably incurred by directors in the conduct of the Company's business or in the discharge of directors' duties, are paid by the Company. Where round trip travel to attend meetings exceeded four hours, these directors were paid an additional fee of \$1,500 per trip, unless the travel took place on the same day as a meeting of the Board.

The directors of the Company may not sell "short" or sell a "call option" on any securities of the Company or purchase a "put option" where they do not own the underlying securities.

Deferred Share Units

The Company adopted its Deferred Share Unit Plan for directors ("DSU Plan") with effect from October 1, 2008, and amended the DSU Plan as of October 23, 2009. The purposes of the DSU Plan are: (i) to promote a greater alignment of interests between directors of the Company and the shareholders of the Company; (ii) to provide a compensation system for directors that, together with the other director compensation mechanisms of the Company, is reflective of the responsibility, commitment and risk accompanying Board membership and the performance of the duties required of the various committees of the Board; (iii) to assist the Company to attract and retain individuals with experience and ability to act as directors; and (iv) to allow directors of the Company to participate in the long-term success of the Company.

Annually, each director who is not an executive of the Company receives a grant of deferred share units ("DSUs") under the DSU Plan. The number of DSUs to be credited to a director after the completion of the 2015 fiscal year was calculated by multiplying (i) the number determined by dividing (A) \$25,000 by (B) the average closing price for Common Shares on the TSX on the five trading days immediately prior to October 1, by (ii) the number determined by dividing (A) the number of days the director has served on the Board since the immediately preceding October 1 and up to the applicable October 1 by (B) 365 or, in the case of a leap year, 366, which fraction, for greater certainty, cannot be greater than one.

DSUs granted in respect of fiscal 2015 and previous fiscal years were granted after the completion of the fiscal year and fully vested upon being credited to a director's account. The Board intends to finalize and approve an amendment to the DSU Plan, on advice of the Compensation/Governance Committee during fiscal 2015. Pursuant to this amendment, DSUs granted in respect of fiscal 2016 were granted at the beginning of fiscal 2016 and, going forward, DSUs will continue to be granted in respect of the prospective fiscal year. In respect of DSUs granted for fiscal 2016 and subsequent years, granted DSUs will fully vest at the completion of the fiscal year and be pro-rated if the Director does not serve on the Board for the complete fiscal year.

A director may elect up to two separate dates as of which either a portion (specified in whole percentages or number of DSUs on any one date) or all of the DSUs credited to the director's account shall be redeemed by the director (or if the director is deceased, by his or her beneficiary), provided that no redemption date shall be prior to the date on which the director ceases to be a director of the Company or later than December 15 of the first calendar year commencing immediately after the date on which the director ceases to act as a director of the Company. Where a director does not elect a particular date or dates for redemption of his or her DSUs, there shall be a single redemption date six months after the date on which the director ceases to act as a director of the Company. The value of each DSU redeemed by or in respect of a director shall be the average closing price for Common Shares on the TSX on the five trading days immediately prior to such redemption date and shall be paid by the Company to the director (or if the director is deceased, to the director's beneficiary) in the form of a lump sum cash payment, less any applicable withholding taxes, as soon as practicable after such redemption date.

Options

It is the Company may grant stock options to directors in connection with their initial appointment to the Board and in connection with being the chair of one or more committees of the Board. The purpose of

these awards is to assist in attracting talented directors to the Board. Stock options are granted under the 2006 Stock Option Plan and have an exercise price of not less than the volume-weighted average trading price of the Common Shares on the TSX for the five trading days immediately preceding the trading day prior to the option grant date. Such options become fully-vested not later than three years following the date on which they are granted, provided that not more than 50% of the Common Shares shall be issuable under a stock option within 12 months of the grant date. Stock options expire not later than the fifth anniversary of the date on which they are granted. Additional stock options may be granted to directors after the expiry or exercise of their initial stock options granted upon joining the Board, in recognition of (i) longevity of service to the Board, and (ii) an important component of ongoing director compensation to enhance their alignment with maximizing shareholder value.

During the 2015 fiscal year, the Company granted options to acquire an aggregate of 125,000 Common Shares in connection with the appointment of Mr. Pridham to the Board.

Summary of Directors' Compensation

The following table provides information regarding compensation paid to all individuals who were directors of the Company during the fiscal year ended September 30, 2015 (other than directors who were also NEOs who received no compensation for acting as a director of the Company while they were also NEOs). All directors' fees are paid in Canadian dollars. Please note that Ms. Sara Magner and Mr. Juan Gavidia joined the Board on November 24, 2015. Since such appointments were subsequent to Orvana's fiscal year ended September 30, 2015, Ms. Magner and Mr. Gavidia are accordingly not included in the following tables.

Directors' Compensation Table for Fiscal Year ended September 30, 2015

Name	Fees earned (\$)	Share-based awards (\$) ⁽¹⁾	Option-based awards (\$)	Non-equity incentive plan compensation (\$)	Pension value (\$)	All other compensation (\$)	Total (\$)
Gordon Bogden ⁽²⁾	\$69,603	\$25,000	Nil	Nil	Nil	Nil	\$94,603
Ed Guimaraes ⁽³⁾	\$75,802	\$25,000	Nil	Nil	Nil	Nil	\$100,802
Jacques McMullen ⁽⁴⁾	\$87,207	\$25,000	Nil	Nil	Nil	\$54,552 ⁽⁴⁾	\$166,759
Robert Mitchell ⁽⁵⁾	\$39,476	Nil	Nil	Nil	Nil	Nil	\$39,476
Gordon Pridham ⁽⁶⁾	\$65,956	\$22,740	\$24,500	Nil	Nil	Nil	\$113,196
Audra Walsh ⁽⁷⁾	\$82,500	\$25,000	Nil	Nil	Nil	Nil	\$107,500
C. John Wilson ⁽⁸⁾	\$86,000	\$25,000	Nil	Nil	Nil	Nil	\$111,000

(1) These amounts represent the Canadian dollar value of DSUs granted to directors in December of 2015 in respect of fiscal 2015. These amounts do not include DSUs granted to directors in December of 2015 in respect of fiscal 2016 (see "Directors Compensation" – "Deferred Share Units" above for additional information on DSUs grants).

(2) Mr. Bogden has been a director of the Company since February 26, 2014 and is a member of the Compensation/Governance Committee.

(3) Mr. Guimaraes has been a director of the Company since February 28, 2013 and is the chair of the Audit Committee.

(4) Mr. McMullen has been a director of the Company since February 26, 2014, is the Chairman of the Board as of February 27, 2015, and is a member of the Technical, Safety, Health, Environment and Sustainability Committee. All other compensation includes consulting fees and fees paid on behalf of Mr. McMullen in connection with a director's education course.

(5) Mr. Mitchell was a director of the Company from April 5, 2007 until his retirement on February 27, 2015.

(6) Mr. Pridham has been a director of the Company since November 3, 2014, is the chair of the Compensation/Governance Committee and a member of the Audit Committee.

(7) Ms. Walsh has been a director of the Company since October 9, 2012, is the chair of the Technical, Safety, Health, Environment and Sustainability Committee and a member of the Compensation/Governance Committee.

(8) Mr. Wilson has been a director of the Company since March 9, 2012, is a member of the Audit Committee and the Technical, Safety, Health, Environment and Sustainability Committee.

Share-based Awards and Option-based Awards

The following table provides information regarding all share-based awards and option-based awards granted to all individuals who were directors of the Company during the fiscal year ended September 30, 2015 and outstanding as of September 30, 2015 (other than awards granted to directors who are also NEOs):

Outstanding Share-based Awards and Option-based Awards as at September 30, 2015

Option-based Awards					Share-based Awards ⁽³⁾		
Name	Number of securities underlying unexercised options (#)	Option exercise price (\$)	Option expiration date	Value of unexercised in-the-money options (\$) ⁽¹⁾	Number of shares or units of shares that have not vested (#)	Market or payout value of share based awards that have not vested (\$) ⁽²⁾	Market or payout value of share based awards that have vested (\$) ⁽²⁾
Gordon Bogden	150,000	\$0.75	February 26, 2019	Nil	Nil	Nil	3,822
Ed Guimaraes	125,000 25,000	\$1.02 \$1.05	March 7, 2018 March 29, 2018	Nil	Nil	Nil	9,310
Jacques McMullen	150,000	\$0.75	February 26, 2019	Nil	Nil	Nil	3,822
Robert Mitchell	150,000	\$3.65	December 10, 2015	Nil	Nil	Nil	24,548
Gordon Pridham	125,000	\$0.30	December 18, 2019	Nil	Nil	Nil	Nil
Audra Walsh	150,000	\$1.05	March 29, 2018	Nil	Nil	Nil	11,213
C. John Wilson	125,000	\$0.88	March 28, 2012	Nil	Nil	Nil	13,066

- (1) Calculated using the closing price of the Common Shares on the TSX on September 30, 2015 of \$0.18 and subtracting the exercise price of the in-the-money stock options.
- (2) Calculated using the closing price of the Common Shares on the TSX on September 30, 2015 of \$0.18. These DSUs have not been redeemed and the value on redemption will depend on the applicable value of these units determined on the redemption date.
- (3) Subsequent to the end of fiscal 2015 each director was granted DSUs in respect of fiscal 2015 and fiscal 2016. These DSUs are not included in the Share-based Awards disclosed in the table above. Please see "Deferred Share Units" for additional disclosure on these DSUs.

The following table provides information regarding the value on pay-out or vesting of incentive plan awards for each of the Company's directors (other than directors who are NEOs) for the fiscal year ended September 30, 2015:

Incentive Plan Awards Vested or Earned During Fiscal Year ended September 30, 2015

Name	Option-based awards – Value vested during the year ⁽¹⁾	Share-based awards – Value vested during the year ⁽²⁾
Gordon Bogden	Nil	\$7,007
Ed Guimaraes	Nil	\$11,786
Jacques McMullen	Nil	\$7,007
Robert Mitchell	Nil	\$11,786
Gordon Pridham	2,083	Nil
Audra Walsh	Nil	\$11,786
C. John Wilson	Nil	\$11,786

(1) Calculated using the closing price of the Common Shares on the TSX on December 18, 2014 of \$0.35 (the vesting date of Mr. Pridham's 41,666 options) and subtracting the exercise price of \$0.30. These options have not been, and may ever be, exercised and actual gains, if any on exercise will depend on the value of the Common Shares on the date of exercise.

(2) These amounts represent the number of DSUs vested in fiscal 2015 held by each director of the Company multiplied by the closing share price on the vesting date. These DSUs were granted in respect of fiscal 2014. Subsequent to the end of fiscal 2015, each director was granted DSUs in respect of fiscal 2015 with a value of \$25,000, except for Mr. Pridham whose granted DSUs were pro-rated based on the portion of fiscal 2015 he served as a director of the Company. These DSUs are not included in the share-based awards disclosed in the table above. Please see "Deferred Share Units" for additional disclosure on these DSUs.

The Company does not have a non-equity incentive compensation plan for its directors.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets out certain information as at September 30, 2015 regarding the Company's Option Plan and the options to purchase Common Shares issued thereunder:

Equity Compensation Plan Information

Plan Category	Number of Common Shares to be Issued upon Exercise of Outstanding Options, Warrants and Rights	Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	Number of Common Shares Available for Future Issuance Under Equity Compensation Plans (Excluding Outstanding Options, Warrants and Rights) ⁽¹⁾
Equity Compensation Plans Approved by Shareholders	2,253,334	\$1.29	3,746,666
Equity Compensation Plans not Approved by Shareholders	Nil	Nil	Nil
Total	2,253,334	\$1.29	3,746,666

(1) The maximum number of Common Shares that may be issued pursuant to the Company's Option Plan is 6,000,000.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of our current or former directors, executive officers or employees or those of any of our subsidiaries had any indebtedness outstanding to the Company or any of our subsidiaries during the fiscal year ended September 30, 2015 or as at the date hereof. Additionally, the Company has not provided any guarantee, support agreement, letter of credit or other similar arrangement or undertaking in respect of any indebtedness of any such person to any other person or entity.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the directors and executive officers of the Company, no “informed person”, any proposed nominee or any associate or affiliate of any informed person or proposed nominee, has had any material interest, direct or indirect, in any transaction since October 1, 2014 or has had any such interest in any proposed transaction that has materially affected us or would materially affect us or any of our subsidiaries.

“Informed Person” means (a) a director or executive officer of the Company, (b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company, (c) any person or company who beneficially owns, or controls or directs, directly or indirectly, Common Shares or a combination of both carrying more than 10% of the voting rights attached to all of the Common Shares, and (d) the Company, if it has purchased, redeemed or otherwise acquired any of its securities, for so long as it holds any of its securities.

INSURANCE COVERAGE

We have purchased insurance for the benefit of the directors and officers of the Company and its subsidiaries against any liability incurred by them in their capacity as directors and officers, subject to certain limitations contained in the *Business Corporations Act* (Ontario). During fiscal 2015, the directors and officers of the Company were covered under a directors' and officers' insurance policy that provided aggregate coverage of \$50,000,000, subject to a deductible of \$50,000. The fifteen month policy period commencing March 27, 2014 to June 30, 2015 was at a premium of \$108,648 (US\$97,007). The policy was renewed on June 30, 2015 for a 12 month period ending June 30, 2016 on similar terms and at a premium of \$107,171 (US\$80,308).

In accordance with the provisions of the *Ontario Business Corporations Act*, our by-laws provide that we will indemnify a director or officer, a former director or officer, or another individual who acts or acted at our request as a director or officer, or an individual acting in a similar capacity, of another entity, against all costs, charges and expenses, including an amount paid to settle an action or to satisfy a judgment, reasonably incurred in respect of any civil, criminal, administrative, investigative or other proceeding to which the individual is involved because of the association with us or the other entity, if: (i) the individual acted honestly and in good faith with a view to our best interests or, as the case may be, to the best interests of the other entity for which the individual acted as a director or officer or in a similar capacity at our request; and (ii) in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, the individual has reasonable grounds for believing that the individual's conduct was lawful.

We have entered into indemnification agreements with each of our directors and officers, which agreements provide that we undertake and agree to indemnify the director or officer to the fullest extent permitted by law, against any reasonable expense that such individual may suffer or incur in respect of any claim, action, suit or proceeding (including, without limitation, any claim, demand, suit, proceeding, inquiry, hearing, discovery or investigation whether civil, criminal, administrative or investigative and whether brought by or on behalf of us or otherwise) involving the director or officer or to which the director or officer is made party and which arises as a direct or indirect result of the director or officer being or having been a director or officer of the Company or having acted, at the Company's request, as a director or officer or in a similar capacity of another entity, including any act or thing done or not done in the individual's capacity as director or officer provided the individual has acted as set out above in accordance with the Company's by-laws.

If we become liable under the terms of our by-laws or the indemnification agreements, the insurance coverage may extend to such liability for certain claims; however, each claim will be subject to a deductible of \$50,000.

ADDITIONAL INFORMATION

Additional information regarding the Company is available under the Company's profile on SEDAR at www.sedar.com or on the Company's website at www.orvana.com. Financial information regarding the Company is contained in the 2015 Financials and the related management's discussion and analysis ("MD&A"). The Company will provide the 2015 Financials and MD&A to any shareholder upon request to the Corporate Secretary of the Company at 416-369-1629 or info@orvana.com.

DIRECTORS' APPROVAL

The contents and the sending of this Circular have been approved by the Board.

DATED as of January 8, 2016.

By Order of the Board of Directors

A handwritten signature in black ink, appearing to read 'J. McMullen', written in a cursive style.

**Jacques McMullen
Chairman**

SCHEDULE "A"

ORVANA MINERALS CORP.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

AND CHARTER OF THE BOARD OF DIRECTORS

SCHEDULE A – ORVANA MINERALS CORP.
STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Board of Directors of the Company has adopted these corporate governance guidelines to promote the effective functioning of the Board of Directors and its committees, to promote the interests of shareholders and to establish a common set of expectations as to how the Board, its various committees, individual directors and senior management should perform their functions. The following sets out the Company's approach to corporate governance in relation to the Corporate Governance Guidelines (terms not otherwise defined herein are defined in the Circular):

Board of Directors

Responsibilities of the Board: The business and affairs of the Company are managed by or under the supervision of the Board in accordance with applicable legislation, regulatory requirements and policies of the Canadian Securities Administrators. The responsibility of the Board is to provide direction and oversight. The Board approves the strategic direction of the Company and oversees the performance of the Company's business and senior management. The senior management of the Company is responsible for presenting strategic plans to the Board for review and approval and for implementing the Company's strategic direction.

In performing their duties, the primary responsibility of the directors is to exercise their business judgment in what they reasonably believe to be the best interests of the Company. In discharging that obligation, directors should be entitled to rely on the honesty and the integrity of the Company's senior management and outside advisors and auditors. In fulfilling its statutory mandate and discharging its duty of stewardship of the Company, the Board assumes responsibility for those matters set forth in its mandate, a copy of which is attached as Appendix 1 hereto.

Size of the Board: The size of the Board as at the date of the Circular is nine members. Mr. Wilson is not standing for re-election. After a review of the size and composition of the Board, the Board determined that the size of the Board should consist of eight members to facilitate its effective functioning. Accordingly, the Board has fixed the number of directors to be elected at the Meeting at eight and is recommending the eight nominees set out in the Circular for election by shareholders as directors of the Company at the Meeting.

Composition of the Board: NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the Company. A "material relationship" is in turn defined as a relationship which could, in the view of the Board, be reasonably expected to interfere with the exercise of a member's independent judgement. In determining whether a particular director is an "independent director" or a "non-independent director", the Board considers the factual circumstances of each director in the context of the Corporate Governance Guidelines.

The following sets out all of the individuals who were directors of the Company since the beginning of fiscal 2015 and whether each of them was or is "independent" within the meaning of NI 58-101 during the time each of them served as a director of the Company: (i) Gordon Bogden (independent); (ii) Ed Guimaraes (independent); (iii) Jacques McMullen (independent); (iv) Gordon Pridham (independent); (v) Audra Walsh (independent); (vi) C. John Wilson (independent); (vi) Daniella Dimitrov (not independent); (vii) Michael Winship (not independent - ceased to be an Orvana director on March 30, 2015); (viii) Robert A. Mitchell (independent - ceased to be an Orvana director on February 27, 2015); (ix) Juan Gavidia (not independent); and (x) Sara Magner (not independent). At various times during fiscal 2015, a majority of the members of the Board were "independent directors" within the meaning of NI 58-101.

The Board is currently comprised of nine members (Messrs. Bogden, Guimaraes, McMullen, Pridham, Wilson, Gavidia and Ms. Dimitrov, Ms. Magner and Ms. Walsh), six of which are "independent directors" within the meaning of NI 58-101. The six independent directors are Messrs. Bogden, Guimaraes, McMullen, Pridham, Wilson and Ms. Walsh. Ms. Dimitrov is the Company's President and Chief Executive Officer and therefore, is not independent. Ms. Sara Magner is considered to have a material relationship with the Company by virtue of her position as the Corporate Secretary and General Counsel of Minera S.A. ("Minera"), an affiliate of Fabulosa, the Company's major shareholder, and, therefore, is

not considered to be independent. Mr. Gavidia is a consultant to Minera and, therefore, is not considered to be independent.

Various individuals who were directors during fiscal 2015 also served as directors of certain other public companies. The nominees for election as directors of the Company at the Meeting listed below served as directors of the following other public companies as at the date of the Circular:

Director	Director of Other Public Company
Gordon J. Bogden	Royal Gold, Inc.
Daniella Dimitrov	Aldridge Minerals Inc. Alloycorp Minerals Inc.
Ed Guimaraes, CPA, CA	Aldridge Minerals Inc.
Gordon Pridham	CHC Realty Capital Corp. Newalta Corporation America Silver Corporation Titanium Corporation

Selection of Directors

The Compensation/Governance Committee is responsible for identifying and recommending to the Board potential candidates to become directors of the Company. There are no specific written criteria for Board membership, however, the Company attempts to attract and retain directors with an understanding of the Company's business and a particular knowledge of mineral exploration and development or other areas (such as accounting and finance) which provide knowledge which would assist in guiding management of the Company. The Compensation/Governance Committee also considers the composition of the Board at the time of such review with a view to ensure that the backgrounds, experiences and knowledge-base of the members of the Board are diverse and complementary. The Board, taking into consideration the recommendations of the Compensation/Governance Committee, is responsible for selecting the nominees for election to the Board, for appointing directors to fill vacancies and determining whether a nominee or appointee is independent. In fiscal 2015, Robert Mitchell retired as the Chairman of the Board and a director of the Company after serving as Chairman of the Board since August 2012 and a director of the Company from December 2003 through June 2006 and from April 2007 through his retirement in February 2015. Mr. McMullen was appointed as Chairman of the Board following Mr. Mitchell's retirement. In fiscal 2015, Gordon Pridham joined as a director of the Company and, subsequent to fiscal 2015, Sara Magner and Juan Gavidia joined as directors of the Company. These individuals bring in-depth capital markets and industry experience to the Board which will allow them to assist the achievement of the Company's strategic goals.

Election of Directors: Each director should be elected by the vote of a majority of the Common Shares represented in person or by proxy at any meeting for the election of directors. If any nominee for election as director receives, from the Common Shares voted at the meeting in person or by proxy, a greater number of votes "withheld" than votes "for" his or her election, the director will be expected to tender his or her resignation to the Chairman of the Board following the meeting, to take effect upon acceptance by the Board. The Compensation/Governance Committee will expeditiously consider the director's offer to resign and make a recommendation to the Board whether to accept such offer. Within 90 days of the meeting of shareholders, the Board will make a final decision concerning the acceptance of the director's resignation. This process applies only in circumstances involving an "uncontested" election of directors - where the number of director nominees does not exceed the number of directors to be elected and where no proxy materials are circulated in support of one or more nominees who are not part of the slate supported by the Board for election at the meeting. Subject to any corporate law restrictions, where the Board accepts the offer of resignation of a director and that director resigns, the Board may exercise its discretion with respect to the resulting vacancy and may, without limitation, leave the resultant vacancy unfilled until the next annual meeting of shareholders, fill the vacancy through the appointment of a new director whom the Board considers to merit the confidence of the shareholders, or call a special meeting of shareholders to elect a new nominee to fill the vacant position.

Chairman of the Board: The Chairman is a director who is independent and not a member of senior management who is appointed by the Board. The current Chairman of the Board, Mr. McMullen is an independent director. The role of the Chairman is to assume the leadership of the Board and, with the committees of the Board, to foster and preserve the independence of the Board. The Chairman's responsibilities include chairing all meetings of directors, providing leadership to the Board, managing the Board, acting as a liaison between the Board and management of the Company and representing the Company.

Meetings of the Board: The Board's written mandate requires the Board to hold at least two meetings per year (either regularly scheduled or unscheduled) at which management of the Company is not present, and, at any time that the Chairman of the Board is not independent, to consider other possible steps and processes to ensure that leadership is provided to the Board's independent directors. The Board generally holds an in camera session at its meetings without the presence of management of the Company. In fiscal 2015 (between October 1, 2014 until September 30, 2015), the Board held 10 directors' meetings. All of the members of the Board who were directors at the time of such meetings attended all of such meetings, except for Audra Walsh and Michael Winship, who were each unable to attend one directors' meeting while they were members of the Board.

Board Committees

The Board has established the Audit Committee, the Compensation/Governance Committee, the Technical, Safety, Health, Environment and Sustainability Committee (the "Technical Committee") and the Strategy Committee, the activities of which were suspended after fiscal 2015. Each such committee is composed of no fewer than three members, each of whom will satisfy the membership criteria set out in the relevant committee charter. Members of committees are appointed by the Board. The Board generally designates one member of each committee as chair of that committee.

Audit Committee: The Board has established the Audit Committee currently comprised of three directors of the Company, Ed Guimaraes (Chair), Gordon Pridham and C. John Wilson. All of members of the Audit Committee are financially literate for the purposes of National Instrument 52-110 - *Audit Committees* ("NI 52-110"). All of the members of the Audit Committee are independent for the purposes of NI 52-110. During fiscal 2015, all of the directors who were members of the Audit Committee were financially literate and independent for the purposes of NI 52-110. The responsibilities and operation of the Audit Committee are described in the Company's Annual Information Form dated December 29, 2015 on page 36 under the heading "Audit Committee Disclosure" and in the copy of the Charter of the Audit Committee attached to such Annual Information Form as Appendix A. A copy of such Annual Information Form is available under the Company's profile on SEDAR at www.sedar.com and on the Company's website at www.orvana.com.

During fiscal 2015, the Audit Committee held four meetings. Each of the current members of the Audit Committee attended all of the meetings thereof while such individual was a member of such committee.

Compensation, Nominating and Corporate Governance Committee: During fiscal 2015, the Compensation and Nominating Committee and the Corporate Governance Committee were combined to form the Compensation/Governance Committee. The Compensation/Governance Committee is currently comprised of Gordon Pridham (Chair), Gordon Bogden, Sara Magner and Audra Walsh. Mr. Pridham, Mr. Bogden and Ms. Walsh each are independent for the purposes of NI 52-110. Ms. Magner is not an independent director of the Company for the purposes of NI 52-110. In general terms, the committee's responsibilities include (i) reviewing the compensation and performance of the Chief Executive Officer, (ii) determining compensation of directors and other senior officers, (iii) identifying potential candidates to become Board members, (iv) evaluating the performance of the Board, committees of the Board and individual directors, (v) periodically reviewing Orvana's corporate governance practices; (vi) evaluating each director against the independence criteria established by NI 58-101 on at least an annual basis; (vii) reviewing, in conjunction with management and prior to publication, the corporate governance disclosure for Orvana's management proxy circulars; (viii) reviewing and, if advisable, approving and recommending for approval by the Board any proposed material changes to Orvana's senior management organizational structure; and (ix) monitoring conflicts of interest of both the Board and management in accordance with the Company's code of business conduct and ethics. The Compensation/Governance Committee

operates pursuant to a written charter which has been reviewed and updated subsequent to fiscal 2015 and reconfirmed by the Board.

Prior to the combination of the two committees, during fiscal 2015, each of the Compensation and Nominating Committee and the Corporate Governance Committee held two meetings and each of the members thereof attended all of such meetings while each such individual was a member of each such committee. During fiscal 2015, the Compensation/Governance Committee held three meetings. Each of the current members thereof attended all of the meetings of such committee while such individual was a member of such committee.

Technical, Safety, Health, Environment and Sustainability Committee: The Board has established the Technical Committee currently comprised of Audra Walsh (Chair), Juan Gavidia, Jacques McMullen and C. John Wilson. The purpose of the Technical Committee is to provide support for the Company's safety, health, environmental and sustainability programmes and to assist in reviewing the technical, safety, health, environmental and sustainability performance of the Company. This committee operates pursuant to a written charter which has been reviewed and updated subsequent to fiscal 2015 and reconfirmed by the Board.

During fiscal 2015, the Technical Committee held seven meetings. Each of the current members of the Technical Committee attended all of the meetings thereof while such individual was a member of such committee.

Strategy Committee: During fiscal 2015, the Board established the Strategy Committee comprised of four directors of the Company, Gordon Bogden (Chair), Ed Guimaraes, Jacques McMullen and Gordon Pridham. The purpose of the Strategy Committee was to review, analyze and make recommendations to the Board, in consultation, with management with respect to the strategic focus of the Company. This committee operates pursuant to a written charter which was established in fiscal 2014. The activities of the Strategy Committee were suspended subsequent to the end of fiscal 2015.

During fiscal 2015, the Strategy Committee held eight meetings. Each of the members of the Strategy Committee who were members of committee at the time of such meetings attended all of the meetings of the Strategy Committee, except for Jacques McMullen and Gordon Pridham who were each unable to attend one committee meeting while they were members of the committee.

Position Descriptions

The Board has developed written position descriptions for the Chairman of the Board, the President and Chief Executive Officer and the Chief Financial Officer and, if applicable, the Chief Operating Officer in order to delineate their respective roles and responsibilities. The Board has not to date developed formal position descriptions for the Chair of each of the committees of the Board as the responsibilities of those positions are generally delineated in the charters of such committees.

Orientation and Continuing Education

While the Company currently has no formal program to orient new directors to the role of the Board, its committees and its directors and the nature and operation of the Company's business, it has been the Company's practice for new directors to be thoroughly briefed by management of the Company and to be provided the opportunity to discuss with management, both formally and informally, the Company's activities. New directors are provided with copies of relevant policies and similar materials to ensure that they are familiarized with the Company and its business as well as the procedures of the Board. The Board actively encourages each director to attend at least one industry trade show or associated educational program each year. The Company's legal counsel provides each new director with an update with respect to such individual's role and responsibility as a director of the Company. As part of such continuing orientation and education, the Board held its strategic meeting in fiscal 2015 at its El Valle operations in Spain.

The Compensation/Governance Committee has responsibility for overseeing development of any orientation programs for new directors. That Committee also oversees the development of any director development programs. Although the Company does not have a formal program for the continuing education of directors, the Board ensures that its directors maintain the skill and knowledge necessary to

meet their obligations as directors of the Company by scheduling presentations to the Board from time to time to educate directors and keep them informed of developments within the Company and of disclosure and governance requirements and standards along with providing information relating to education programs provided by other industry and market participants such as audit and legal firms. The Company has a membership to the Institute of Corporate Directors (“ICD”) and to the National Association of Corporate Directors (“NACD”) for all of the directors and officers of the Company. The ICD and the NACD provide various directors’ educational materials and seminars.

Disclosure Policy

The Board has adopted a written disclosure policy (the “Disclosure Policy”) to provide a framework for the Company’s approach to disclosure. The Disclosure Policy is reviewed periodically by the Compensation/Governance Committee and the Board. The policy extends to all employees, consultants, officers, the Board and those authorized to speak on its behalf. The Disclosure Policy addresses disclosures in documents filed with the securities regulators and written statements made in the Company’s annual and quarterly reports, press releases, letters to shareholders, presentations by senior management and information contained on the Company’s website and other electronic communications. It also extends to oral statements made in meetings and telephone conversations with members of the investment community, interviews with the media, as well as speeches and conference calls and dealings with the public generally. A committee consisting of the President and Chief Executive Officer, the Chief Financial Officer, the Director, Legal and the Investor Relations Officer has overall responsibility for overseeing the Company’s disclosure practices and meets as the circumstances dictate. A copy of the Disclosure Policy is available on the Company’s website at www.orvana.com.

Ethical Business Conduct

The Board has adopted a written code of business conduct and ethics for the Company’s directors, officers and employees that sets out the Board’s expectations for the conduct of such persons in their dealings on behalf of the Company (the “Code”). The Board reviewed and updated the Code shortly following the end of fiscal 2015. The Company also has an Anti-Corruption Policy. The Board has established anonymous and confidential reporting procedures pursuant to the Company’s Whistleblower Policy in order to encourage employees, directors and officers to raise concerns regarding various matters, including matters addressed by the Code and other policies of the Company, on a confidential basis free from discrimination, retaliation or harassment. Employees who violate the Code may face disciplinary actions, including dismissal. The Audit Committee along with the Chief Financial Officer and Director, Legal monitor compliance with the Code and the Whistleblower Policy and review and investigate complaints, if any, made thereunder. A copy of the Code, Anti-Corruption Policy and Whistleblower Policy are available on the Company’s website at www.orvana.com.

Subject to certain exceptions prescribed under the *Business Corporations Act* (Ontario) (the “OBCA”), a director who is a party to a material contract or proposed material contract with the Company or who is a director or officer of a party to such a contract or otherwise has a material interest in a party to such a contract must disclose the nature and extent of the director’s interest to the Company and any material change in that interest. The Code and the OBCA also provides that, subject to certain exceptions prescribed under the OBCA, the interested director shall not attend any part of a meeting of directors during which the matter in which the director has a material interest is discussed and shall not vote on any resolution to approve such matter.

Compensation

The Compensation/Governance Committee is responsible for, among other things, periodically reviewing and recommending for approval by the Board the appropriate levels of compensation for directors and senior management of the Company. The process by which executive compensation is established is described above under the heading “Executive Compensation - Compensation Discussion and Analysis”. The Compensation and Nominating Committee reviews periodically the form and amount of compensation of directors, including in relation to directors of similar companies, to ensure that the compensation of the Board reflects the responsibilities, time commitment and risks involved in being an effective director of the Company.

Assessments

The responsibilities of the Compensation/Governance Committee include assessing, on a periodic basis, the contributions of the Board as a whole, of each of the committees of the Board and of each of the individual directors, in order to determine their effectiveness and contribution to the Company. The Board adopted a formal process that it has followed since 2008 for regularly evaluating the effectiveness of the Board, its committees, and the Chairman of the Board. This process includes the completion of evaluation questionnaires by each member of the Board and committees and discussion of the responses thereto.

Director Term Limits and Other Mechanisms of Board Renewal

Of the current nominees for director, none has served as Director of the Company for four years or more. The Board reviews its size and composition periodically, along with recommendations of the Compensation/Governance Committee in this regards, and determines appropriate adjustments to its size and/or composition. The Company has not adopted term limits for its directors and has adopted a mechanism for Board renewal which takes place at the annual meeting of shareholders of the Company. Under the by-laws of the Company, at each annual meeting of shareholders, the directors then in office, if qualified, are eligible for re-election at that meeting.

Policies Regarding the Representation of Women on the Board

The Company has not adopted a written policy relating to the identification and nomination of women directors to the Company's Board. While the Company does not have a specific policy, diversity of race, ethnicity, gender, age, cultural background and professional experience are considered when evaluating candidates for Board membership. This commitment is evident when looking at the membership of the Board. The directors of the Company come from different cultural backgrounds, age groups and professional experiences. As at the date of the Circular, one-third of the directors of the Company are women and three of the eight nominees for election as directors of the Company are women.

Consideration of the Representation of Women in the Director Identification and Selection Process

In identifying and nominating candidates for election or re-election to the Board, the Compensation/Governance Committee seeks appropriately qualified potential nominees. The Committee recognizes the importance of diversity with respect to cultural background, gender, age and professional experience and considers this as part of its process of selecting the most qualified directors. In light of the challenges junior companies face in attracting highly qualified director candidates, the Company believes that this approach enables it to make decisions regarding the composition of the Board based on what is in the best interests of the Company and its shareholders. As at the date of the Circular, one-third of the directors of the Company are women and three of the eight nominees for election as directors of the Company are women.

Consideration of the Representation of Women in Executive Officer Appointments

In appointing executive officers to the management team, the Company seeks appropriately qualified individuals. The Company recognizes the importance of diversity with respect to cultural background, gender, age and professional experience and considers this as part of its process of selecting the most qualified executive officers. In light of the challenges junior companies face attracting a highly qualified senior management team, the Company believes that this approach enables it to make decisions regarding the composition of its senior management team based on what is in the best interests of the Company and its shareholders.

Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

The Company has not adopted a specific target for women on the Board. The Company believes in diversity of the composition of the Board, however, the Company has determined not to choose or exclude a director nominee solely or largely because of gender. In selecting a director nominee, the

Compensation/Governance Committee focuses on skills, expertise, experience and background that would complement the existing members of the Board.

The Company has not adopted a target for women in executive officer positions. The Company believes in diversity of the composition of its management team, however, the Company has determined not to choose or exclude a candidate for an executive officer position solely or largely because of gender. In selecting candidates, the Company considers the skills, expertise, experience and background of the individual and that would complement the existing management team.

Number of Women on the Board and in Executive Officer Positions

As of the date of the Circular there are three women on the Board, representing one-third of the Company's directors. As of the date of the Circular, Ms. Dimitrov is the Company's President and Chief Executive Officer. This represents one quarter of the Company's executive officers including the Company's subsidiaries.

APPENDIX 1 - ORVANA MINERALS CORP. – CHARTER OF THE BOARD OF DIRECTORS

1. Purpose

The Board of Directors (the “Board”) of Orvana Minerals Corp. (the “Corporation”) has a duty to supervise the management of the business and affairs of the Corporation. The Board, directly and through its committees and its Chair, shall provide direction to senior management, generally through the Chief Executive Officer, to pursue the best interests of the Corporation.

2. Membership

All matters concerning the membership and organization of the Board (including: the number, qualifications and remuneration of directors; the number of Board meetings; residency requirements; quorum requirements; meeting procedures; appointment of a chair; and notices of meetings) are as established by the Ontario *Business Corporations Act* and the by-laws and resolutions of the Corporation.

At least annually, the Board shall, with the assistance of the Compensation, Nominating and Corporate Governance Committee, determine the independence of each director based on the definition of independence contained in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) and the independence of each Audit Committee member based on the definition of independence in National Instrument 52-110 – *Audit Committees*. It shall be an objective that at least a majority of the directors shall be independent as determined in accordance with NI 58-101, and if at any time less than a majority of directors are independent, the Board shall consider possible steps and processes to facilitate its exercise of independent judgement in carrying out its responsibilities.

If at any time the Chair of the Board is not independent, the Board shall consider possible steps and processes to ensure that leadership is provided for the Board’s independent directors.

Directors may serve on the boards of other companies so long as these commitments do not materially interfere and are compatible with their ability to fulfill their duties as a member of the Board. Directors must advise the Board in advance of accepting an invitation to serve on the board of another public company.

Each director must have an understanding of the Corporation’s principal operational and financial objectives, plans and strategies, and financial position and performance. Directors must have sufficient time to carry out their duties and not assume responsibilities that would materially interfere with, or be incompatible with, Board membership. Directors who experience a significant change in their personal circumstance, including a change in their principal occupation, are expected to advise the chair of the Compensation and Nominating Committee.

3. Functions and Responsibilities

The Board shall have the functions and responsibilities set out below. In addition to these functions and responsibilities, the Board shall perform such duties as may be required by the binding requirements of any stock exchanges on which the Corporation’s securities are listed and all other applicable laws.

- (a) **Strategic Planning** – At least annually, the Board shall review and, if advisable, approve the Corporation’s strategic planning process and short- and long-term strategic and business plans prepared by management. In discharging this responsibility, the Board shall review the plan in light of management’s assessment of emerging trends, the competitive environment, risk issues, and significant business practices and products. At least annually, the Board shall review management’s implementation of the Corporation’s strategic and business plans. The Board shall review and, if advisable, approve any material amendments to, or variances from, these plans.

- (b) **Risk Management** – At least annually, the Board shall, with the assistance of the Audit Committee and the Technical, Safety, Health, Environment and Sustainability Committee: (i) identify the risks inherent in the business of the Corporation and review and approve management’s risk philosophy and risk management policies necessary to address, as much as reasonably possible, those identified risks, and (ii) review management reports demonstrating compliance with risk management policies and confirm that management has taken reasonable steps to ensure compliance with standards.
- (c) **Controls and Systems** – The Board shall, with the assistance of the Audit Committee, verify that internal financial, non-financial and business control, information systems and data security procedures have been established by management and that the Corporation is applying appropriate standards of corporate conduct for these controls.
- (d) **Human Resources** – The Board shall, with the assistance of the Compensation, Nominating and Corporate Governance Committee, periodically: (i) review the Corporation’s approach to human resource management and executive compensation, and (ii) review succession plans for the Chair of the Board, the Chief Executive Officer and senior management of the Corporation.
- (e) **Corporate Governance** – The Board shall, with the assistance of the Compensation, Nominating and Corporate Governance Committee, periodically: (i) review the Corporation’s approach to corporate governance; (ii) evaluate the Board’s ability to act independently from management in fulfilling its duties; (iii) review reports provided by management relating to compliance with, or material deficiencies of, the Corporation’s Code of Business Conduct and Ethics; and (iv) satisfy itself as to the culture of integrity within the Corporation and of the executive officers of the Corporation.
- (f) **Financial Information** – The Board shall, with the assistance of the Audit Committee, periodically: (i) review the Corporation’s internal controls relating to financial information and reports provided by management on material deficiencies in, or material changes to, these controls, and (ii) review the integrity of the Corporation’s financial information and systems, the effectiveness of internal controls and management’s assertions on internal control and disclosure control procedures.
- (g) **Communications** – The Board in conjunction with the Chief Executive Officer shall periodically review the Corporation’s overall communications strategy, including measures for receiving feedback from the Corporation’s shareholders. In developing the Corporation’s communication policy reference shall be made to NP 51-201 – *Disclosure Standards*.
- (h) **Disclosure** – The Board shall periodically review management’s compliance with the Corporation’s disclosure policies and procedures. The Board shall, if advisable, approve material changes to the Corporation’s disclosure policies and procedures.
- (i) **Position Descriptions**. – Periodically, the Board shall review a report of the Compensation, Nominating and Corporate Governance Committee reviewing the position description of the Chief Executive Officer and such corporate goals and objectives. The Board has approved position descriptions for the Chair of the Board and the Chair of each Board committee, and for the Chief Executive Officer, which includes delineating management’s responsibilities and approving the corporate goals and objectives that the Chief Executive Officer is responsible for meeting.

4. **Committees of the Board**

- (a) **Committees Established** – The Board has established an Audit Committee, a Compensation, Nominating and Corporate Governance Committee, and a Technical, Safety, Health, Environment and Sustainability Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee.
- (b) **Committee Charters** – The Board has approved charters for each Board committee and shall approve charters for any new Board Committee. Each charter shall be reviewed periodically, and, based on recommendations of the relevant committee and the Chair of the Board, be approved by the Board.

- (c) **Delegation to Committees** – The Board has delegated for approval or review the matters set out in each Board committee's charter and may further delegate matters to such committees from time to time. As required, the Board shall consider for approval the specific matters delegated for review to Board committees.
- (d) **Committee Reporting to Board** – To facilitate communication between the Board and its committees, each committee Chair shall provide a report to the Board on material matters considered by the committee at the next Board meeting after each meeting of the committee.

5. Meetings

- (a) **General** — The rules and regulations relating to the calling and holding of and proceedings at meetings of the Board shall be those established by the Ontario *Business Corporations Act* and the by-laws and resolutions of the Corporation.
- (b) **Secretary and Minutes** — The Corporate Secretary, his or her designate or any other person the Board requests, shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Board for approval.
- (c) **Meetings Without Management** — The Board shall hold unscheduled or regularly scheduled meetings, or portions of regularly scheduled meetings, at which members of management are not present at least twice per year.
- (d) **Attendance and Preparedness** — Directors are expected to attend regularly scheduled Board meetings and to have prepared for the meetings by, at a minimum, reviewing in advance of the meeting the materials delivered in connection with the meeting. The attendance record of individual directors will be disclosed in the Corporation's proxy circular as required by NI 58-101.

6. Director Development and Evaluation

New directors shall be provided with such orientation sessions, including site visits, as the Board determines are appropriate from time to time. With the assistance of the Compensation and Nominating Committee, the Board shall periodically consider how directors may maintain the skill and knowledge necessary to meet their obligations as directors, including through continuing education programs, and evaluate and review the performance of the Board, each of its committees and each of the directors.

7. Access to Information

In its discharge of the foregoing duties and responsibilities, the Board shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to officers of the Corporation and to the relevant books, records and systems of the Corporation as considered appropriate.

8. Independent Advisors

The Board shall have the authority to engage and terminate such independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes and to set and cause to be paid by the Corporation the compensation of any such counsel or advisors.

9. Self-Assessment

The Board shall, together with the Compensation and Nominating Committee, at least annually, assess the Board's effectiveness with a view to ensuring the effective performance of the Board.

10. Board Review of Charter

The Board shall periodically review the adequacy of the Board's charter. In accordance with NI 58-101, the text of this mandate shall be included in the Corporation's management information circular.

11. No Rights Created

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the committees of the Board assist the Board in directing the affairs of Orvana. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of Orvana's Articles and By-laws, it is not intended to establish any legally binding obligations.