ORVANA MINERALS CORP.

ANNUAL INFORMATION FORM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2008

December 3, 2008

Unless otherwise noted herein, information in this Annual Information Form is presented as at September 30, 2008.

Unless otherwise noted herein, all dollar amounts in this Annual Information Form are in United States dollars and gold production, in fine troy ounces, is referred to as “ounces”.

Certain statements in this Annual Information Form constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws (“forward-looking statements”). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, potentials, future events or performance (often, but not always, using words or phrases such as “believes”, “expects” or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, or “intends” or stating that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken or achieved) are not statements of historical fact, but are “forward-looking statements”. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Orvana, or developments in Orvana’s business or in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements include disclosure regarding possible events, conditions or results of operations that are based on assumptions about future conditions, courses of action and consequences. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. Orvana cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Forward-looking statements relate to, among other things, all aspects of the possible development of the UMZ (as defined below) deposit and of its potential operation and production, the possible development of the Copperwood Project in the State of Michigan, mineral resource and mineral reserve estimates, the realization of mineral reserve estimates, estimates of future capital expenditures and timing of development and production and estimates of the outcome and timing of decisions with respect to whether and how to proceed with such development and production, permitting time lines, statements and information regarding future feasibility studies and their results, production forecasts, future transactions, the successful completion of reclamation projects, future precious and base metal prices, the ability to achieve additional growth and geographic diversification, future production costs, accounting estimates and assumptions, future tax benefits, the renewal or renegotiation of agreements, future financial performance, including the ability to increase cash flow and profits, future financing requirements, mine development plans, and possible changes in the regulatory, political, social and economic environment in Bolivia. A variety of inherent risks, uncertainties and factors, many of which are beyond the Company’s control, affect the operations, performance and results of the Company and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. Some of these risks, uncertainties and factors include fluctuations in the prices of precious and base metals; the need to recalculate estimates of reserves and resources based on actual production experience; the failure to achieve production estimates; variations in the grade of ore mined; variations in the cost of operations; the availability of qualified personnel; risks generally associated with mineral exploration and development, including the Company’s ability to develop the UMZ deposit or the Copperwood Project if it determines to do so and to acquire and develop mineral properties; the Company’s ability to obtain additional financing when required on terms that are acceptable to the Company; challenges to the Company’s interests in its property and mineral rights; current, pending and proposed legislative or regulatory developments or changes in political, social or economic conditions in Bolivia; general economic conditions worldwide; and the risks identified below under the heading “Description of Business – Risk Factors”. This list is not exhaustive of the factors that may affect any of the Company’s forward-looking statements. Forward-looking statements are based on management’s current plans, estimates, projections, beliefs and opinions and the Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Readers are cautioned not to put undue reliance on forward-looking statements.

1. CORPORATE STRUCTURE

Name, Address and Incorporation

Orvana Minerals Corp. (the "Company" or "Orvana") was formed by the amalgamation of Pan Orvana Resources Inc. ("Pan Orvana") and New Kelore Mines Limited ("New Kelore") pursuant to articles of amalgamation dated February 24, 1992 under the *Business Corporations Act* (Ontario) and an amalgamation agreement between such parties dated December 30, 1991. Pan Orvana was incorporated under the laws of the Province of British Columbia on March 27, 1987 under the name Orvana Resources Inc. and changed its name to Pan Orvana Resources Inc. on September 4, 1987. New Kelore was incorporated by Letters Patent pursuant to the laws of the Province of Ontario on May 9, 1945 under the name Kelwren Gold Mines Limited. In 1948 it changed its name by Supplementary Letters Patent to Kelore Mines Limited and on March 27, 1953, it further changed its name to New Kelore Mines Limited. The registered office of the Company is c/o Blake, Cassels & Graydon LLP, 23rd Floor, Commerce Court West, 199 Bay Street, Toronto, Ontario, Canada M5L 1A9. Orvana's head office is located at Suite 1530, 320 Bay Street, Toronto, Ontario, Canada M5H 4A6.

Intercorporate Relationships

Historically, Orvana has conducted its exploration activities in foreign jurisdictions through subsidiary companies incorporated in those jurisdictions. The Company's active subsidiaries and holding companies, all of which are wholly-owned, are as follows:

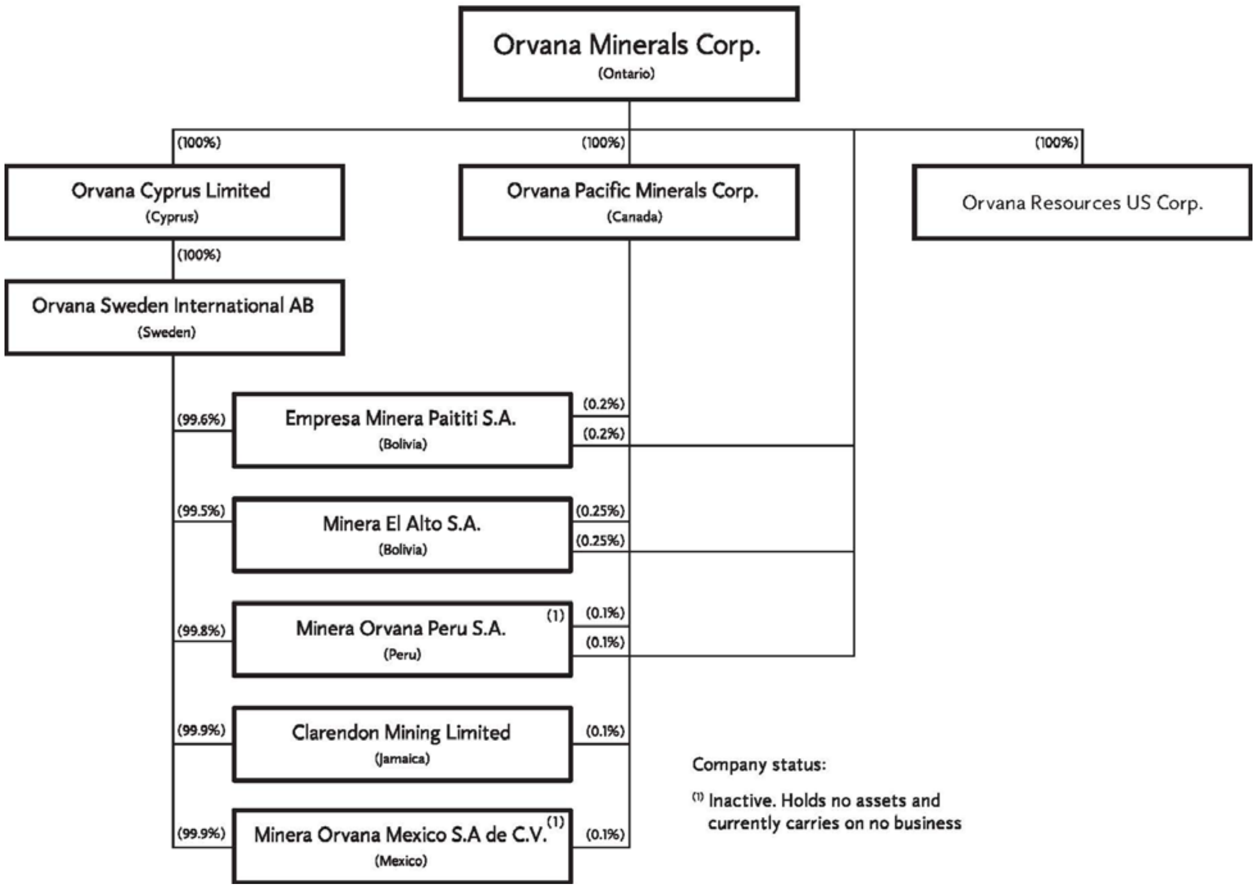
- Canada: Orvana Pacific Minerals Corp.
- Cyprus: Orvana Cyprus Limited
- Sweden: Orvana Sweden International AB
- Bolivia: Empresa Minera Paititi S.A. ("EMIPA") and Minera El Alto S.A
- Jamaica: Clarendon Mining Limited
- United States: Orvana Resources US Corp.

The Company's inactive subsidiaries, both of which are wholly-owned and have no assets or mineral property holdings, are as follows:

- Mexico: Minera Orvana Mexico S.A. de C.V.
- Peru: Minera Orvana Peru S.A.

The intercorporate relationships among Orvana and each of its subsidiaries are outlined in the diagram below. The diagram below also provides specific information on (a) the percentage of votes attaching to all voting securities of each subsidiary beneficially owned, controlled or directed by Orvana and (b) the jurisdiction of incorporation or continuance, as the case may be, of Orvana and each of its subsidiaries (which is set out in parentheses).

Corporate Structure



2. GENERAL DEVELOPMENT OF THE BUSINESS

Historical Background

For a number of years, the Company's business plan was to identify and acquire properties with exploration potential, and to use Orvana's technical and financial resources to advance such projects, with the expectation that such properties could be vended to third parties possessing the requisite resources to develop and operate such properties, with the Company retaining significant participating interests in those properties. The depressed state of the gold industry from 1999 through early 2002 created impediments to the continuation of Orvana's business plan, as it became difficult to raise the additional capital needed to advance the Company's properties. The number of its employees was reduced during this period and, from February 28, 2001 to January 11, 2002, Orvana had no paid employees and all management duties were handled by members of the Board of Directors and the Corporate Secretary.

Pursuant to the transaction with Sinchi Wayra S.A. ("Sinchi Wayra", formerly Compania Minera del Sur S.A.) that is described below, on January 11, 2002, Sinchi Wayra acquired a controlling interest in the Company and began work to bring the Lower Mineralized Zone ("LMZ") of the Company's Don Mario ore deposit in Eastern Bolivia (the "Don Mario Mine") into production. Commercial production at the Don Mario Mine commenced on July 1, 2003.

Significant Transaction with Sinchi Wayra

The Company and certain of its subsidiaries entered into an agreement with Sinchi Wayra dated September 12, 2001, as amended (the “Definitive Agreement”). Under the Definitive Agreement, Sinchi Wayra financed the purchase by the Company’s subsidiary, EMIPA, from Sinchi Wayra of a mining concession, gold mill plant and equipment; arranged additional financing for EMIPA’s purchase of mining equipment and development of the Don Mario Mine; and, subject to certain conditions, undertook to place the LMZ of the Don Mario Mine into production within 18 months of January 11, 2002 (the “Share Purchase Closing Date”).

Under the terms of the Definitive Agreement, on the Share Purchase Closing Date, Sinchi Wayra invested $4 million in return for the issuance by the Company to Sinchi Wayra of 52,995,143 common shares, together with the right to receive additional common shares, at no additional cost, on a one-for-one basis for each common share issued by the Company either (i) as a result of the exercise of warrants, options or other convertible securities of the Company outstanding on the Share Purchase Closing Date or (ii) in settlement of liabilities and obligations owed by the Company on the Share Purchase Closing Date, up to a maximum of 29,154,190 additional common shares. In addition, on January 11, 2002, 668,219 common shares of the Company were issued to Sinchi Wayra in settlement of a loan advanced by Sinchi Wayra to the Company under an interim financing arrangement.

Under the terms of the Definitive Agreement, in connection with its work to place the LMZ into production, Sinchi Wayra provided management services to EMIPA. From January 2002 to September 2003, such management services were provided by members of Sinchi Wayra’s management team, including Jaime Urjel, who also served as President and Chief Executive Officer of the Company from March 2002 to March 2005, Carlos Mirabal, the Company’s President and Chief Executive Officer since October 2006 and, from March 2002 to September 2005, the Company’s Chief Operating Officer, and Jorge Szasz, who was the Chief Financial Officer of the Company from March 2002 to September 2005. Under the Definitive Agreement, Sinchi Wayra was reimbursed for its overhead costs arising from the operation of EMIPA, but did not receive any other payment as compensation for its services. With the completion of construction and commencement of operations at the Don Mario Mine, Sinchi Wayra completed its obligation to provide management services to EMIPA under the Definitive Agreement. Effective October 1, 2003, Sinchi Wayra entered into the management services agreement described below under “Interest of Management and Others in Material Transactions”.

Prior to March of 2005, Sinchi Wayra was an indirect subsidiary of Minera S.A. As part of a corporate reorganization in connection with the sale by Minera S.A. of the parent company of Sinchi Wayra, all of the common shares of the Company held by Sinchi Wayra, together with a debenture of the Company in the amount of $92,488, were transferred to Fabulosa Mines Limited (“Fabulosa”), a wholly-owned subsidiary of Minera S.A. In addition, Sinchi Wayra assigned to Fabulosa its rights and obligations under the Definitive Agreement, including in connection with an asset purchase loan made by Sinchi Wayra to the Company. As a result of such transfer and of subsequent issuances of common shares to Fabulosa pursuant to the right described above, Fabulosa held 60,445,028 common shares as at November 24, 2008, representing 52.5% of the outstanding common shares.

Under the Definitive Agreement, Fabulosa has a pre-emptive right with respect to the issuance of additional common shares or securities convertible into common shares to other persons, entitling Fabulosa to acquire common shares or convertible securities on the same terms and conditions as those so issued by the Company, subject to applicable requirements of the Toronto Stock Exchange. Fabulosa is also entitled to receive common shares in certain circumstances in the event that it is entitled to indemnification for a breach of a representation or warranty in the Definitive Agreement.

The Definitive Agreement also provided that at any shareholder meeting held prior to January 11, 2007, Fabulosa was entitled to select four nominees for election as directors and would vote its shares of the Company in favour of three nominees (at least two of whom shall be residents of Canada as defined in the *Business Corporations Act* (Ontario) unless otherwise agreed by Fabulosa) who were not selected by Fabulosa and its affiliates.

Don Mario Mine

With the investment by Sinchi Wayra and the implementation of the Definitive Agreement, the Company began development of the LMZ deposit of its Don Mario Mine. The Company completed construction of a mill and related facilities for the treatment of LMZ ore in the first half of 2003. Following mill start-up and commissioning, commercial production commenced July 1, 2003.

Since the commencement of operations, four technical reports have been prepared in connection with the Don Mario Mine. These four reports have been prepared in compliance with the requirements of National Instrument 43-101 – Standards of Disclosure for Mineral Projects of the Canadian Securities Administrators ("National Instrument 43-101"). Particulars of the four technical reports are as follows:

1. "Technical Report on the Don Mario Gold Property, Chiquitos Province, Bolivia" dated July 25, 2003 (the "AMEC Technical Report") by AMEC (Peru) S.A., a division of AMEC E&C Services Limited ("AMEC"). The Company engaged AMEC to prepare an independent Technical Report on the LMZ. The AMEC Technical Report was prepared by AMEC personnel Miron Berezowsky, P. Eng., Ken Brisebois, P. Eng., and John Kiernan, P. Eng., each of whom is a "qualified person" independent of the Company within the meaning of National Instrument 43-101.

2. "Technical Report on the Don Mario Upper Mineralized Zone ("UMZ") Gold Project, Chiquitos Province, Bolivia" dated March 2005 (the "PAH Technical Report") prepared by Pincock, Allen & Holt ("PAH"). The Company engaged PAH to prepare an independent Technical Report on the UMZ. The PAH Technical Report was prepared by PAH personnel Raul H. Borrastero C.P.G and Richard Addision, P. Eng., each of whom is a "qualified person" independent of the Company within the meaning of National Instrument 43-101.

3. "Technical Report on the Mineral Resource and Reserve Estimation for the Don Mario Gold Mine, Lower Mineralized Zone" (the "Orvana Technical Report"). The Orvana Technical Report, dated December 23, 2005, prepared by M.J. Hodgson, C. Eng., the Company's Vice President, Technical Services, was prepared as an update to the earlier AMEC Technical Report on the LMZ, which contains relevant data. Mr. Hodgson is a "qualified person" within the meaning of National Instrument 43-101.

4. "Technical Report on the Don Mario Upper Mineralized Zone (UMZ) Copper-Gold-Silver Project – Chiquitos Province, Bolivia" dated October 30, 2006 being the Preliminary Feasibility Study on the UMZ (the "NCL Technical Report") prepared by NCL Ingenieria y Construccion S.A. ("NCL"). The Company engaged NCL to prepare an independent Technical Report on the UMZ. The NCL Technical Report was prepared by NCL and its associates Edwin Bentzen III, Senior Project Manager and Metallurgist for Resource Development Inc. and Karl M. Kolin, P. E., Principal Mine Engineer for Gustavson Associates LLC, each of whom is a "qualified person" independent of the Company within the meaning of National Instrument 43-101 and a member of the American Institute of Mining, Metallurgical and Petroleum Engineers.

All four Technical Reports are available along with the Company's other public disclosure documents at www.SEDAR.com, as well as at the Company's website at www.orvana.com.

3. DESCRIPTION OF THE BUSINESS

Introduction

The Company is a Canadian mining and exploration company based in Toronto, Canada, involved in the evaluation, development and mining of precious and base metal deposits in the Americas. The Company owns and operates the Don Mario Gold Mine in eastern Bolivia. The Company's long-term goal is to become a low cost, long-life, multi-mine gold and base metals producer in the Americas.

According to the Orvana Technical Report, as at November 1, 2005, the updated proven and probable reserves of the LMZ were estimated at 1,017,500 tonnes, grading 11.3 g/t, containing 368,800 ounces of gold. In the period from November 1, 2005 to September 30, 2008, the mill at the Don Mario Mine treated 739,573 tonnes of ore which contained 256,170 ounces of gold and produced 238,867 ounces of gold.

The Company holds an interest in the Las Palmeras concession in Bolivia. The concession, which covers approximately 7,100 hectares, is located in the Canton of San Ramon, Santa Rosa de la Mina and San Javier, in the Province of Ñuflo de Chavez. The Puquio Norte open pit gold mine owned by Sinchi Wayra operated within this concession until late 2001, when the ore body was exhausted and the operation was closed. Orvana has no plans to further explore the concession and, in December 2006, the Company gave the Bolivian Ministry of Mines formal notice of its intention to surrender its mining rights and has ceased payment of related fees.

Through its wholly-owned subsidiary Orvana Resources US Corp., Orvana has entered into a mineral lease with Keweenaw Land Association dated September 10, 2008 (the "Keweenaw Mineral Lease") that covers 276 hectares (681 acres) and a mineral lease with Sage Minerals, Inc. dated October 16, 2008 (the "Sage Mineral Lease") that covers 436 hectares (1,078 acres) contiguous to the area leased under the Keweenaw Minerals Lease. The Sage Mineral Lease together with the Keweenaw Mineral Lease, are referred to as the "Copperwood Project Leases". The area subject to the Copperwood Project Leases is located within the "Western Syncline", which is located in the Upper Peninsula of the State of Michigan, USA.

Under the terms of each of the Copperwood Project Leases, in consideration for annual lease payments and a net smelter return royalty, Orvana has the sole and exclusive right to explore the leased properties and to mine from them all metalliferous and nonmetalliferous ores and minerals for a period ending, with respect to each of the leases, on the 20th anniversary of the lease or such later date as Orvana is no longer actively engaged in development, mining or related operations on or in connection with the respective leased property. Under each of the Copperwood Project Leases, a net smelter return royalty is payable to the lessor, which will be determined on a quarterly basis and will range from 2% to 4%, based on prevailing copper prices adjusted for inflation.

Concurrent with entering into the Copperwood Project Leases, Orvana obtained exclusive options to enter into mineral leases with respect to an additional 1,559 hectares (3,852 acres) located in the general area of the Copperwood Project Leases. In the event that Orvana exercises any of its options to enter into additional mineral leases, such leases would be on the same terms as the Copperwood Project Leases.

Although exploration work conducted on the leased area by United States Metals Refining Company ("USMRC") during the 1950s resulted in 42 holes being drilled, a shaft being sunk and drifts being driven, there are no environmental liabilities. Based on this historical information, it is known that a copper-bearing unit lies at between 30 meters and 337 meters depth. The data collected by USMRC through this exploration process was prior to the implementation of National Instrument 43-101 standards and, consequently, Orvana cannot disclose any of this data.

Both the surface and mineral rights of the properties subject to the Copperwood Project Leases are privately held. Consequently, Orvana does not require any permits or approvals to conduct exploration work in the properties, including sampling and drilling, although there is a state guideline for plugging and abandoning drill holes. Even though Orvana has a prescriptive right to access the leased areas on private roads, it plans to lease or purchase surface rights required to ensure adequate access to the leased area.

Mine permitting is regulated by the Department of Environmental Quality of the State of Michigan. The mine permit application process includes, but is not limited to, completing and submitting studies with respect to the behaviors of surface and subsurface waters, air quality, mine planning and tailings pond engineering.

The leased area can be accessed by paved public roads from Wakefield, Michigan, which is located approximately 20 kilometers to the southeast. The leased area is located approximately four kilometers from a paved county road and can be accessed via a private, improved gravel road. The leased area includes adequate space for the development of mine infrastructure. Under the terms of the Keweenaw Mineral Lease, Orvana has the right to build mine infrastructure on 248 hectares (611 acres) of the leased area. Electric power can be brought to the leased properties from a location approximately 12 kilometers south of the leased properties. Orvana believes there will be an adequate water supply to support its activities proximal to the leased area but further investigation is required to confirm this. Orvana does not anticipate any problems in satisfying its staffing needs as experienced mining personnel live within reasonable proximity to the area.

The area is generally wooded and the topography is essentially flat with minimal critical elevation differences.

From the 1950s until 1983, USMRC, and its parent company, AMAX, Inc., leased areas that included the area covered by the Copperwood Project Leases. The work completed by USMRC was exploratory in nature and provided important information on rock characteristics and copper grade distribution.

The properties subject to the Copperwood Project Leases are located within the Midcontinent rift system. The 1.1 billion year-old rift is filled with basaltic volcanic rocks overlain by clastic sedimentary rocks, which include the Nonesuch Formation lacustrine shales and siltstones. Whereas the volcanic rocks and conglomerates that underlie the Nonesuch Formation host(ed) native copper in the northern end of the Upper Peninsula, the shales and siltstones at the base of the Nonesuch Formation are chalcocite-bearing further south. The basal section of the Nonesuch Formation is the host rock for the areas subject to the Copperwood Project Leases. In these areas, the mineralized zone subcrops under less than 30 meters of unconsolidated glacial sediments, and lies at about 337 meters depth approximately 2.5 kilometers to the north.

Orvana has contracted with STS, a division of AECOM, to conduct the Environmental Impact Assessment ("EIA") required by applicable Michigan mining laws to be completed prior to applying for a mining permit. The EIA baseline studies, which include, without limitation, surface and subsurface water monitoring and sampling as well as the installation of a weather station, have commenced. Applicable state mining laws require two years of data collection. As part of this program, the mineralized zone was intersected by certain drill holes. The work program over the next fiscal year will consist of continuing the EIA baseline studies, completing delineation drilling, and conducting basic metallurgical testing.

The Company holds certain joint venture interests in a number of mineral concessions, located in the Altiplano region of Bolivia as well as a small net smelter return royalty ("NSR") interest in the Central Inlier property in Jamaica. These assets are carried at a nominal amount in the Company's consolidated financial statements and related liabilities and expenses are not material.

Selected Consolidated Financial Information

The table below sets forth selected consolidated financial information for the Company for the fiscal years ended September 30, 2008 and 2007. This financial information should be read in conjunction with the more detailed financial information appearing in the Company's corresponding audited consolidated financial statements and notes thereto.

	September 30 (Expressed in thousands of United States dollars)	
	2008	**2007**
Revenues	$69,064	$55,920
Net income	$25,707	$26,023
Assets	$120,685	$81,153
Long-term financial liabilities	$2,644	-
Per share amounts:		
Net income – basic and diluted	$0.22	$0.23
Cash dividends	-	-

Principal Market and Distribution

The Company sells all of its gold production to one customer, a precious metals trader. Title to each shipment passes to that customer once the gold is exported from Bolivia. The Company does not hedge its gold production.

Development of the Don Mario Mine

Ore and waste were extracted from the underground mine and a lower grade ore stockpile. Underground mining consisted of 256,764 tonnes of development, cut & fill and longhole-stoping ore at a grade of 10.67 g/t gold and 3,773 tonnes of ore at a grade of 1.94 g/t gold were taken from the stockpile. The mill treated 253,217 tonnes of ore at a grade of 10.38 g/t gold and produced 79,604 ounces of gold during fiscal 2008, at an average gold recovery of 94.2%. 79,813 ounces of gold were sold by the Company during the fiscal year ended September 30, 2008. As at September 30, 2008, the operation employed 253 staff and contracted 172 personnel providing mine, camp and support services.

The LMZ mine shaft was completed by the end of fiscal 2006. Development work continued in 2008, with further deepening of the main ramp. Ramp construction was completed to the -40 metre level. The geological information indicated that mineralization did not continue at depth and the ramp work stopped in July 2008. Development of level -40 metres was completed in October 2008.

The Company is also actively exploring other targets within the contiguous concessions referred to collectively as the Don Mario Property with the objective of identifying additional LMZ-type ore that could feed the current gold plant. The most comprehensive program is being conducted in the Las Tojas concession of the Don Mario Property, located approximately 12 kilometers north of the Don Mario Mine. Comments in this report under the caption "Las Tojas" provide further information on the status of mining and processing of gold-bearing mineralization of the type contained in the Don Mario Mine.

A copy of the mine plan for the underground mine is available at Orvana's website www.orvana.com.

In October 2006, the Company announced the completion of the NCL Technical Report. The UMZ mineral reserves would support a 7-year open pit mine life beyond the life of the existing LMZ. The Company is now considering steps to advance the UMZ deposit towards a production decision and, to this end, the Company engaged Kappes, Cassiday & Associates ("KCA") of Reno, Nevada to complete a NI 43-101-compliant feasibility study on the UMZ. A draft of KCA's Don Mario Mine UMZ Feasibility Study ("Feasibility Study") was received at the end of November. It is expected that the Feasibility Study will be issued in final form shortly. In view of the capital investment required to develop the UMZ deposit, the Company continues to assess its options with respect to developing the project in the most efficient and risk effective way possible.

Social and Environmental Policies

The Company is committed to the social development and well-being of the communities in which it operates. To this end, the Company continues to support financially and otherwise local community endeavours associated with that objective. In fiscal 2006, the Company made a five-year financial commitment to the villages in the area surrounding the Don Mario Mine. The Company is actively involved within the areas of education, sanitation, purchasing of local goods and services and generally working with communities to contributed to and to improve their standard of living. Projects supported by Orvana in the 2008 fiscal year included supervision of and financial support for community infrastructure development projects such as utilities and parks, education and information technology, cultural events, community business development initiatives, and maintenance of community roads.

The Company is committed to developing and operating its projects in full compliance with recognized international and local environmental standards. In furtherance of this commitment, the Company regularly implements programs to protect and enhance natural habitats and sensitive species, including reclamation efforts, continuous reforestation efforts and the establishment of water sources for wildlife. The Company has retained an independent engineering firm to monitor and make recommendations to the Company's management of its tailings dam facilities. Stability analysis will be undertaken during the construction of the expansion of the facilities, with AMEC providing the design and supervision support. AMEC completed the detailed design in October and construction is about one-third complete.

The Company has estimated the present value of the estimated future cost to decommission the Don Mario Mine (asset retirement obligations) to be $2,156 as at September 30, 2008. It is estimated that the amount of future expenditures to dismantle mine installations and to complete environmental reclamation will be $2,800 on an undiscounted basis. If the Don Mario operation is discontinued at the end of 2010, it is expected that this obligation will be settled approximately as follows over the years indicated: 2010 - $1,100; 2011 - $400; 2012 - $500; 2013 - $400; 2014 - $400. Estimates of these closure costs and the expected timing of their incurrence are reviewed periodically. These estimates are based on expected remediation requirements relating to the LMZ and will change if the Company proceeds with the UMZ base metal project. It is possible that the Company's estimates of its ultimate asset retirement obligations could change as a result of changes in regulations, the extent of environmental remediation required, the means of reclamation, cost estimates or the estimated remaining ore reserves.

Risk Factors

The following discussion summarizes the principal risk factors that apply to the Company's business and that may have a material adverse effect on the Company's business, financial condition and results of operations, or the trading price of the Company's common shares.

The Company holds mining properties in Bolivia and as such is subject to the laws governing the mining industry in that country. In view of the new constitutional draft approved by the Constituent Assembly on November 24, 2007 and new mining policy and mining tax changes that have been implemented and that are being proposed by the current government in Bolivia and the composition of the Company's shareholder base, there could be changes in governmental regulation or governmental actions in Bolivia that adversely affect the Company.

Mineral Reserves and Resources

Mineral reserve and resource figures provided by the Company are estimates and no assurances can be given that the indicated amount will be produced. Estimated reserves and resources may have to be recalculated based on actual production experience and the prevailing prices of the metals produced.

Development of Mineral Deposits, Production Costs and Metal Prices

The economics of developing mineral deposits are affected by many factors including variations in the grade of ore mined, the cost of operations and fluctuations in the sales price of products. The value of the Company's mineral properties is heavily influenced by metal prices, particularly the price of gold for the LMZ and copper and gold for the UMZ. Metal prices can and do change significantly over short periods of time and are affected by numerous factors beyond the control of the Company, including changes in the level of supply and demand, international economic and political trends, expectations of inflation, currency exchange fluctuations, interest rates, global or regional consumption patterns, speculative activities and increased production arising from improved mining and production methods and new discoveries. There can be no assurance that the prices of mineral products will be sufficient to ensure that the Company's properties can be mined profitably. Depending on the price received for minerals produced, the Company may determine that it is impractical to commence or continue commercial production. The grade of any ore ultimately mined from a mineral deposit may differ from that predicted from drilling results or past production. Production volumes and costs can be affected by such factors as permitting regulations and requirements, weather, environmental factors, unforeseen technical difficulties, unusual or unexpected geological formations and work interruptions. Short-term factors relating to ore reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse effect on the results of operations. Moreover, there can be no assurance that because minerals are recovered in small scale laboratory tests recoveries will be achieved under production scale conditions. Although precautions to minimize risks will be taken, processing operations are subject to hazards such as equipment failure or failure of tailings impoundment facilities, which may result in environmental pollution and consequent liability.

Environmental and other Regulatory Requirements

The current or future operations of the Company, including exploration and development activities and commencement of production on its properties, require approvals, permits or licenses from various levels of government. Such approvals, licenses and permits are or may be, as a practical matter, subject to the discretion of the applicable governments or governmental officials. The Company's operations are and will be governed by laws and regulations concerning prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. There can be no assurance that all approvals, licenses and permits which the Company may require for construction of new mining facilities and conduct of mining operations, particularly environmental permits, will be obtained or maintained on reasonable terms or that compliance with such laws and regulations will not have an adverse effect on the profitability of any mining project that the Company might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations and, in particular, environmental laws.

Amendments to existing laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and cause increases in capital expenditures, production costs and taxes or reduction in levels of production at producing properties or require abandonment or delays in development of mining properties.

Political and Related Risks

The Company has substantially all of its assets and operations in Bolivia, and may in the future have significant assets and operations in other nations in and outside of Latin America. Such international assets and operations are, or may be, subject to various political, economic and other uncertainties, including, among other things, the risks of political instability and changing political conditions, conflict and civil unrest, acts of terrorism, expropriation, nationalization, renegotiation or nullification of existing concessions, licenses, permits, approvals and contracts, adverse changes in taxation policies, foreign exchange and repatriation restrictions, restrictions on foreign investment in or ownership of resources and trade barriers or restrictions. The Company also may be hindered or prevented from claiming against or enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for the Company to accurately predict political or social conditions or developments or changes in laws or policy or to what extent, if any, such conditions, developments or changes may have a material adverse effect on the Company's operations. Moreover, it is possible that deterioration in economic conditions or other factors could result in a change in government policies respecting the presently unrestricted repatriation of capital investments and earnings.

During fiscal 2007 a number of changes to the Bolivian taxation of mining companies were implemented by the Bolivian government, all of which had a negative impact on the Company's after-tax income. The following highlights some of these changes:

- An increase in the Bolivian corporate income tax rate to 32.5% (37.5% where no additional processing beyond concentrate stage) from 25%, effective December 14, 2007.
- Introduction of a new mining royalty tax that came into effect on December 14, 2007. The mining royalty tax, calculated as a percentage of the gross invoice value of metals exported, is payable in addition to income tax.
- Elimination of a double deduction on exploration expenditures effective March 14, 2008.
- Introduction of current value accounting in determining income subject to taxation.

The combined negative impact of the above changes to Bolivian tax law was to reduce the Corporation's net income for fiscal 2008 by $5,845 ($0.05 per share) from the net income which otherwise would have been reported.

On November 24, 2007, the Constituent Assembly of Bolivia approved the new constitutional draft in principle. The proposed new constitution, if implemented as currently drafted, could have adverse implications for the Company due to, among other things, increased powers that the Bolivian government would have under the constitution to control the commercialization of minerals. A referendum on the new constitution will be held on January 25, 2009.

There could also be changes to governmental regulation with respect to such matters as repatriation of profits, restrictions on production, export controls, environmental compliance, and expropriation of property or limitations on foreign ownership. There could also be shifts in the political stability of the country and labour unrest. In May 2006, the Bolivian government moved to increase its share of the country's oil and gas sector by imposing a profit-sharing arrangement in which the government receives a 50% share in operating profits of companies operating in the sector. On May 1, 2008, the Bolivian government announced additional measures to increase its control over the oil and gas and telecommunications sectors. Similar actions on the part of the government have also been taken in the mining sector with the recent increase in income and other taxes. Any of the foregoing actions or regulatory changes could adversely affect the Company.

Statements by members of the government with respect to new government policies in the mining sector have been contradictory, sometimes referring to "nationalization", but at other times stating that "nationalization" will not occur. It is not clear whether the Bolivian government will nationalize any portion or all of the mining industry. If the Don Mario Mine was nationalized, the Company would cease to have any producing assets. Other changes in governmental regulation or governmental actions such as those described above could also have a material adverse effect on the results of operations or financial condition of Orvana. Orvana's management is monitoring the situation closely.

The Bolivian government has indicated that it intends to amend the mining code to require that, in the future, Corporacion Minera de Bolivia ("COMIBOL"), the state-owned mining company, will control Bolivian land subject to the grant of mining concession rights. Under these amendments, an application will have to be made for new mining concessions in the future and all concessions granted may result in some form of joint venture with COMIBOL in the exploitation of any minerals found. The government has stated that this new law will not affect mining concessions that have already been granted, however, the proposals have yet to be passed into law and their potential effect on future activities on the Company's mineral concessions remains unclear.

Additional recent proposed modifications to the mining code have been published by the government. One such proposal would see mineral concessions revert to the state in a time-frame depending on the length of time since any exploration work was undertaken ranging from immediate reversion for concessions not worked for more than five years to reversion after one year for concessions not worked for one year. A second proposed modification would affect companies that are presently in joint ventures with COMIBOL. In this proposal, COMIBOL would control 100% of production and would receive 50% of the gross revenue derived from the sale of mine production. Negotiations regarding such modifications continue, with the government stating that it now wants 55% of a project's gross revenue. It is expected that these proposals will result in dialogue and negotiation between the government and the mining industry before being passed into law. Orvana's Bolivian subsidiary, EMIPA, has no joint venture operations with COMIBOL and, thus, would not be affected by the second proposal.

As a result of legislation passed by the Bolivian Congress, the Company was required to negotiate a new natural gas supply contract with a government-owned entity. The Company has signed a new contract for natural gas and is awaiting the signature of the government. The new contract was effective from September 17, 2008 and is not expected to have a material impact on the Company's costs.

Water Supply

The amount of ore processed at the Don Mario Mine is dependent on the volume of water available in nearby reservoirs, which depends on the amount and timing of seasonal rainfall. If a sufficient amount of water is not accumulated and maintained, the Don Mario Mine may not be able to operate at full capacity or may be able to do so only on an intermittent basis.

Reliance on Key Personnel

The Company's operations are dependent on the abilities, experience and efforts of key personnel. If any of these individuals were to be unable or unwilling to continue to provide their services to the Company, there may be a material adverse effect on the Company's operations. The Company's success is dependent upon its ability to attract and retain qualified employees and personnel to meet its needs from time to time.

Exploration and Development Risks

Mineral exploration and mining involve considerable financial, technical, legal and permitting risks. Substantial expenditures are usually required to establish ore reserves and resources, to evaluate metallurgical processes and to construct mining and processing facilities at a particular site. With the exception of the Don Mario Mine, the Company's properties are without known bodies of commercial ore. It is impossible to ensure that the exploration programs conducted by the Company will result in profitable commercial mining operations, as, within the mining industry, few properties that are explored are ultimately developed into producing mines. Unusual or unexpected geological formations, unstable ground conditions that could result in cave-ins or land slides, floods, power outages, water or fuel shortages, labour disruptions, fires, explosions, and the inability to obtain suitable or adequate machinery, equipment or labour are risks associated with the conduct of exploration programs and the operation of mines. In addition, social unrest in areas adjacent to the Company's properties could have a material adverse effect on the Company's activities. The Company has been dependent upon and may continue to be dependent upon consultants and outside contractors for construction and operating expertise.

Production Estimates

No assurance can be given that production estimates will be achieved. The Company's actual production may vary from estimates for a variety of reasons including: attributes of the ore mined varying from those used in estimating of grade, tonnage, dilution and metallurgical and other characteristics; short-term operating factors relating to ore reserves; risks and hazards associated with mining; inclement weather conditions; natural disasters, including floods, drought and earthquakes; and unexpected labour shortages or disruptions.

Title Matters

The Company's interests in mineral tenures grant it exclusive rights to the minerals discovered in the course of exploration. Maintenance of the Company's property and mineral rights is subject to ongoing compliance with the laws and regulations promulgated with respect to such rights. While the Company believes that its title to each of its properties, mineral claims and concessions is in good standing, the Company's title to any of such properties, claims and concessions is not guaranteed. The Company's title to any of it properties, mineral claims and concessions may be challenged or impugned, and properties, claims and concessions may be subject to prior unregistered agreements or transfers, or local land claims, and title may be affected by undetected defects.

Gold Price Volatility

Gold prices are subject to volatile fluctuations and are affected by a number of factors, such as central bank lending, sales and purchases of gold, levels of gold production, industrial and jewellery demand and macroeconomic factors such as currency fluctuations, interest rates and political or economic events.

Competition

The Company faces considerable competition in acquiring promising mineral properties, engaging joint venture partners and obtaining funding support. As a result of this competition, some of which is against companies with substantial capabilities and greater financial and technical resources than the Company, the Company may be unable to acquire mineral properties, engage joint venture partners or obtain funding on terms it considers acceptable.

Additional Funding Requirements

The Company began commercial operation on July 1, 2003 and has generated net income and positive cash flow from operating activities during the past five years including the year ended September 30, 2008. However, there can be no assurance that the Company will generate net income or positive cash flow in the future.

There is no assurance that the Company will be successful in obtaining any additional financing that may be required in the future. Future development of the Company's properties will depend upon its ability to generate earnings and cash flow from its operations and to obtain financing through the joint venturing of projects, private placement financing, public financing, bank credit facilities or other means.

Bolivia's status as a developing country and its political and social uncertainties may make it more difficult or expensive for the Company to obtain any required financing for its properties due to actual or perceived increased investment risk.

Insurance

There is no assurance that in the event of a claim, the amount of the Company's insurance coverage, if any, will be adequate to cover the full amount of the claim.

Currency Fluctuations

The Company's functional currency was changed to United States dollars as of December 31, 2002 and its financial statements are presented in United States dollars. The Company may be exposed to foreign currency fluctuations to the extent it incurs expenses or earns revenues in other currencies. A large proportion of the Company's revenues, costs and assets are denominated in United States dollars, with the remainder primarily denominated in Bolivian or Canadian currencies. Therefore, at this time, the Company does not expect currency fluctuations to have a significant impact on its financial position or results. However, there can be no assurance that future fluctuations in currency values will not materially affect the Company's financial position and results. Given the global nature of capital markets and the minerals business, disruptions in the economies of other regions can adversely impact economic conditions in Latin America, as that region is particularly dependent on other countries for sources of investment and for markets for its products.

Conflicts of Interest

Directors of the Company are or may become directors or officers of other mineral resource companies or have significant shareholdings in such other companies and, to the extent that such other companies may participate in ventures in which the Company may participate, its directors may have a conflict of interest in negotiating and concluding terms respecting the extent of such participation.

Share Trading Volatility

The securities of many mineral exploration and development companies, particularly those considered development stage companies, have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or the prospects of such companies. There can be no assurance that continued fluctuations in share price will not occur.

Mineral Properties

Don Mario Mine, Bolivia

The Don Mario Mine is the Company's only revenue generating property at the date of this report. The AMEC Technical Report, the PAH Technical Report, the Orvana Technical Report, the NCL Technical Report and the KCA Technical Report (collectively, the "Technical Reports") are each incorporated by reference in this Annual Information Form in their entirety. Specific information about the Don Mario Mine and references to relevant portions of the Technical Reports are set out below.

(i) Property Description and Location

(a) Area and Location of the Property

The Don Mario property consists of 11 contiguous mineral concessions covering approximately 53,900 hectares and is located within the San Juan Canton of the Province of Chiquitos in Eastern Bolivia. The Don Mario property is located at a geographical position of 59°47' W longitude and 17°15' S latitude, which is 380 kilometres east of the departmental capital of Santa Cruz de la Sierra.

The LMZ is the current gold mining operation and, except for a small open pit that has now been exhausted, is an underground mine. The UMZ is a hill (Cerro Pelado or Cerro Don Mario) over the top of the underground gold mining operation.

(b) Nature and Extent of Orvana's Title to or Interest in the Property

Ownership of the Don Mario mineral concession is held by EMIPA, a Bolivian subsidiary of the Company. The Superintendent of Mines for the Department of Santa Cruz has granted EMIPA a 100% interest in the Don Mario mineral concession and, as a result, EMIPA has all the required rights to develop, mine and market the minerals and metals within its boundaries. All mineral substances in Bolivia belong to the state. The mineral concession conveys to its owner the exclusive rights to carry out any or all of the following mining activities: prospecting and exploration, exploitation (mining), beneficiation of ores, smelting and refining, and marketing of minerals and metals.

(c) Royalties and Other Payment Obligations

The Don Mario mineral concession is subject to a 3% net smelter royalty interest granted by the Company in favour of Battle Mountain Gold Exploration Corp. ("Battle Mountain") pursuant to a royalty agreement dated February 2, 1996, as amended. Battle Mountain also holds a right of first refusal on any additional royalties that might be granted on the Don Mario property. In October 2007, Royal Gold Inc. acquired 100% of the shares of Battle Mountain. The Company understands that, in connection with this transaction, all rights under the royalty will be assigned to Royal Gold Inc.

(d) Environmental Liabilities

Reference is made to the information under the subheading "4.1 – Environmental Liabilities" at pages 4-6 to 4-7 of the AMEC Technical Report.

(e) Location of Mineralized Zones, Mineral Resources, Mineral Reserves, etc.

Reference is made to the information set out below in this Annual Information Form under the headings "(iv) Geological Setting", "(vi) Mineralization", "(x) Mineral Resource and Mineral Reserve Estimates" and "(xi) Mining Operations, Exploration and Development".

(f) Permits

Reference is made to the information under the subheading "4.2 – Other Permits" at pages 4-7 to 4-8 of the AMEC Technical Report.

(g) Additional Information

Additional information may be found under the heading "4.0 – Property Description and Location" at pages 4-1 to 4-8 of the AMEC Technical Report.

(ii) Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Don Mario Mine is easily accessible from Santa Cruz de la Sierra either by air, a distance of 380 kilometres, or by road, or a combination of rail and road, a distance of 458 kilometres. Santa Cruz de la Sierra is the departmental capital with a population of approximately 1.5 million and is serviced by an international airport.

The property is located near the central point of South America, and at the northern limit of the Paragua Platte River drainage basin near the watershed divide with the Amazon River system to the north. The region is characterized by gently undulating terrain at an elevation range of 300 metres to 450 metres above sea level with a few local peaks including Cerro Don Mario. With the exception of Cerro Don Mario, the area is thickly forested with deciduous trees. In contrast, Cerro Don Mario (whose official name is Cerro Pelado) is essentially bare of trees and vegetated with only scattered scrub and copper-tolerant grasses.

The climate is sub-humid tropical. Average monthly maximum temperatures range from 29°C in July to 34°C in October. Minimum average temperatures range from 16°C in June to 25°C in November. Annual rainfall is approximately 1,200 millimetres, mostly falling in sharp downpours during the wet season between November and March. Access roads may become impassable in the rainy season.

The nearest settlement is the village of San Juan (population 350), 76 kilometres away. The largest settlement in the region is the local administrative center of San Jose de Chiquitos (population 8,000 – 10,000). Local employees are hired from these and other nearby communities, and constitute half of the permanent work force of approximately 253.

In March 2003, the Don Mario Project was connected to the Cuiaba-Bolivia Natural Gas Pipeline. Natural gas has two main purposes for the project: electrical power generation and for use in the process plant for smelting dore. Power is generated by four 875 KVA, 3300 V, 50 Hz Waukesha generators, for a total rated capacity of 3500 KVA. In fiscal 2008, the Company acquired three 2220 KVA, 3300 V, 50 Hz Waukesha generators with a total rated capacity of 6660 KVA to provide both additional capacity and backup.

As there are no perennial streams, water is derived from two main sources: bore holes and surface water collected in dams. Water is recycled from the tailings impoundment. Fresh water is captured by a small dam in another catchment area to the southwest of the tailings pond and is pumped to the site. A supplemental source of fresh water is from two boreholes drilled for this purpose.

Additional information regarding the accessibility, climate, local resources, infrastructure and physiography of the Don Mario property can be found under the heading “5.0 – Accessibility, Climate, Local Resources, Infrastructure and Physiography” at pages 5-1 to 5-5 of the AMEC Technical Report. Additional information regarding the availability and sources of water, power and mining personnel can be found under the headings “5.4.4 – Surface Rights” at page 5-4 and “Property Description and Location” at pages 4-1 to 4-8, “5.4.5 – Surface Rights” at page 5-4, “5.4.2 – Power” at page 5-3, “5.4.1 – Mining Personnel, Labour Pool and Source” at page 5-3, respectively, of the AMEC Technical Report. Additional Information may be found about processing, tailings and wastes sites under section 11 entitled “Mineral Processing and Metallurgical Testing” at pages 51-54, and section 16 – “Requirements for Technical Reports on Production Properties” at pages 93-107 of the Orvana Technical Report.

(iii) History

Following the discovery of gold at the site in 1991, the Don Mario property was subsequently explored by four companies. Exploration work included a combined 33,000 metres of drilling, 148 metres of drifting and a small open pit. This work has resulted in the discovery and delineation of the LMZ and UMZ, the two principal zones of mineralization, and several prospects along strike and elsewhere on the Don Mario Property. The LMZ is the most economically significant, and, after evaluation through a series of feasibility studies, went into production mid 2003.

Additional information regarding the history of the Don Mario property, including prior ownership and development of the property and ownership changes and the type, amount, quantity and results of the exploration work undertaken by previous owners, to the extent known, may be found under the headings “6.0 – History” and “10.0 – Exploration” at pages 6-1 to 6-15 and 10-1 to 10-17, respectively, of the AMEC Technical Report, as well as “6.0 – History” at pages 6.1 to 6.3 in the PAH Technical Report.

(iv) Geological Setting

The Don Mario property is located within one of approximately 20 Lower to Middle Proterozoic schist belts in the Bolivian Shield. The Bolivian Shield forms the south-western edge of the Brazilian Precambrian Shield and has been subdivided into a Middle Proterozoic Paragua Craton, which is up to 270 kilometres wide and is bordered by two parallel orogenic belts of Middle to Upper Proterozoic age: the Sunsas Mobile Belt along its western edge and the Aguapei Mobile Belt along its eastern margin.

The Don Mario property lies within the southeast margin of the Sunsas Mobile Belt of the Bolivian Shield, in a region characterized by highly deformed and metamorphosed Lower Proterozoic rocks of the Aventura Complex. The property covers a series of northwest trending schist belts (Cristal Sequence), orthogneiss (Patuju Domain) and a granite intrusive body within an area of approximately 25 kilometres east-west by 25 kilometres north-south.

Additional information regarding the regional, local and property geology of the Don Mario property may be found under the headings “7.0 – Geological Setting” and “8.0 – Deposit Types” at pages 7-1 to 7-7 and 8-1 to 8-2, respectively, of the AMEC Technical Report.

(v) Exploration

Reference is made to the information under the heading “10.0 – Exploration” at pages 10-1 to 10-17 of the AMEC Technical Report, and also under heading “10.0 – Project Exploration” at pages 10.1 and “11.0 – Drilling” at pages 11.1 to 11.4 of the PAH Technical Report.

Lower Mineralized Zone (“LMZ”)

Reference is made to the information under the heading “10.0 – Exploration” at pages 10-1 to 10-17 of the AMEC Technical Report, and also under headings “5 – Exploration”, at pages 16 to 23, and “6 – Drilling” at pages 24 to 29 of the Orvana Technical Report.

With a focus on the LMZ, Orvana commenced a surface drilling campaign of 12 holes during the last quarter of fiscal 2005. This campaign focused on the LMZ and was completed in the last quarter of 2006. The program had been designed to test the northern and down dip extension of the LMZ. In summary, by the end of fiscal 2006, 5,048 meters were drilled out of a planned total of 5,353 metres. Although the intersections were well defined, the grades and widths recorded were disappointing.

Development work continued during fiscal 2008 with further deepening of the main ramp. Ramp construction was completed to the -40 metre level. The geological information indicated that the mineralization did not continue in depth and the ramp work stopped in July 2008. Development of the -40 metre level was completed in October 2008.

Upper Mineralized Zone (“UMZ”)

Reference is made to the information under heading “10.0 – Project Exploration” at page 10.1 and “11.0 – Drilling” at pages 11.1 to 11.4 of the PAH Technical Report.

During 2004, Orvana completed an infill drilling program on the UMZ, a source of open pit ore, at the Don Mario Mine. The purpose of the program was to move the ore resource from inferred to indicated status in order to expand resources and future production. The drilling and trenching work was completed. The drilling campaign included 43 diamond drill holes and 2,819 metres of drill cores providing 1,844 samples for analysis. In addition, 10 trenches were opened at surface. The drilling and trenching campaign, combined with additional historical sample data, enabled Orvana to generate an estimate on the UMZ containing an indicated resource of 5.6 million tonnes at a grade of 1.47g/t gold, 1.61% copper and 50 g/t silver. PAH reviewed the resource estimate during 2005 and found it to be acceptable. The PAH review was the focus of the PAH Technical Report.

This work on the UMZ was followed by the completion of the NCL Technical Report, a pre-feasibility mineral reserve estimate reporting National Instrument 43-101 compliant proven and probable reserves totalling 5.45 million tonnes at average grades of 1.50% copper, 1.42 grams per tonne (“g/t”) gold and 46.6 g/t silver. Detailed information regarding the resource and reserve estimations of the UMZ may be found under the heading “19 – Mineral Resource and Mineral Reserve Estimates” at pages 19-1 to 19-34, of the NCL Technical Report.

Following completion of the NCL Technical Report, the Company engaged KCA to complete the KCA Technical Report, a National Instrument 43-101-compliant full feasibility study on the UMZ. A draft of KCA’s Don Mario Mine UMZ Feasibility Study (“Feasibility Study”) was received at the end of November. It is expected that the Feasibility Study will be issued in final form shortly. In view of the capital investment required to develop the UMZ deposit, the Company continues to assess its options with respect to developing the project in the most efficient and risk effective way possible.

The Company is also actively exploring other targets within the contiguous concessions referred to collectively as the Don Mario Property with the objective of identifying additional LMZ-type ore that could feed the current gold plant. The most comprehensive program is being conducted in the Las Tojas concession of the Don Mario Property, located approximately 12 kilometers north of the Don Mario Mine. Progress of the exploration programs on the three targets on which most spending has occurring thus far this fiscal year is as follows:

Las Tojas

During fiscal 2007, the Company completed 51 diamond drill holes on the Las Tojas property, 31 intersecting significant gold mineralization on two-thirds of the target area. Detailed results of drilling completed thus far are contained in a press release dated October 19, 2007 and accessible on the Company's website, www.orvana.com and on SEDAR at www.sedar.com.

In the second quarter of fiscal 2008, the Company completed an in-fill drilling campaign on the remaining third of the Las Tojas project area to fully define the extent of this mineralization. Including the 2007 campaign, a total of 101 drill holes were completed, 60 of which fell above the cut-off grad of 1 gram of gold per tonne. External consultants have reviewed the results to determine the final size and grade of this mineralization. The Company expects to have a final consultant's report by December 2008. Due to the modest size of this mineralization the Company does not plan to prepare a National Instrument 43-101 compliant technical report.

The Las Tojas mineralization has the same mineralogical characteristics as the LMZ ore and can be put through the existing gold processing facilities at the Don Mario Mine. The grades are not as high as the LMZ, which is being mined by underground mining methods. The Las Tojas property will be mined by open pit mining methods.

In a second area, "Las Tojas B", geological mapping at 1:1000 scale is being carried out and representative samples are being taken.

Las Tojas has the potential of extending the current Don Mario gold mining operation (the LMZ and Las Tojas taken together) to the end of the third quarter of fiscal 2010.

Oscar

A large number of samples have been sent to external laboratories for analysis and results will assist in determining what further work will be undertaken.

La Aventura

A geochemical sampling program consisting of 1,352 samples has been completed. The next stage of exploration work in the area will include trenching and magnetometry. In addition to the above-mentioned exploration activities, a regional geochemical sampling program will be conducted within all concessions.

In addition to the above-mentioned exploration activities, a regional geochemical sampling program will be conducted within all concessions.

(vi) Mineralization

For the LMZ, reference is made to the information under the heading "9.0 – Mineralization" at pages 9-1 to 9-12 of the AMEC Technical Report and the information contained in the PAH Technical Report.

(vii) Drilling

Reference is made to the information under the heading "11.0 – Drilling" at pages 11-1 to 11-6 of the AMEC Technical Report and also under the heading "6 – Drilling" at pages 24 to 29 of the Orvana Technical Report.

For the UMZ, reference is made to the information summarized under the heading "13 – Drilling" at pages 13-1 to 13-6 of the NCL Technical Report.

(viii) Sampling and Analysis

For the LMZ, reference is made to the information under the headings "12.0 – Sampling Method and Approach", "13.0 – Sample Preparation, Analyses and Security" and "14.0 – Data Verification" at pages 12-1 to 12-9, 13-1 to 13-17 and 14-1 to 14-12, respectively, of the AMEC Technical Report. Further reference may be found under the headings "7 – Sampling Method and Approach", "8 – Sample Preparation, Analyses and Security" and "9 – Data Verification" at pages 30-34, 35-45 and 46-49 respectively, of the Orvana Technical Report.

For the UMZ, reference is made to the heading "14 – Sampling Method and Approach" at pages 14-1 to 14-6 of the NCL Technical Report.

(ix) Security of Samples

For the LMZ, reference is made to the information under the heading "13.0 – Sample Preparation, Analyses and Security" at pages 13-1 to 13-17 of the AMEC Technical Report and also under the heading "8 – Sample Preparation, Analyses and Security" at pages 35 to 45 of the Orvana Technical Report.

For the UMZ, reference is made to the heading "Sample Preparation, Analysis and Security" at pages 15-1 to 15-8 of the NCL Technical Report.

(x) Mineral Resource and Mineral Reserve Estimates

The Orvana Technical Report contains updated mineral resource and reserve estimates for the LMZ of the Don Mario Mine. The following is a summary of the resource and reserve information set forth in the Orvana Technical Report. For a complete description of the mineral resource and mineral reserve estimates, reference is made to the information contained in the Orvana Technical Report, particularly the information under the heading "12.12 – Mineral Resources" and "12.13 – Mineral Reserves" at pages 78 to 80 and 80 to 86, respectively, of the Orvana Technical Report.

Resource Summaries

Mineral Resource Estimate for the LMZ

Table 1 summarizes the measured and indicated resources at various gold cut-offs. Table 2 summarizes all the resources within the 3-g/t envelope of the LMZ zones by resource classification.

Table 1 - Don Mario LMZ - Measured and Indicated Resources

Cut-off (g/t)	Ktonnes	Au (g/t)
0	1,024	12.62
0.001	1,024	12.62
0.5	1,024	12.63
1	1,022	12.64
2	1,008	12.79
3	956	13.35
4	905	13.91
5	856	14.46
6	809	14.97

Table 2 - Don Mario LMZ - All Resources

Au Cut-off (g/t)	Measured		Indicated		Inferred	
	Ktonnes	Au (g/t)	Ktonnes	Au (g/t)	Ktonnes	Au (g/t)
0	769	13.47	255	10.06	137	11.67
0.001	769	13.47	255	10.06	137	11.67
0.5	769	13.47	255	10.07	137	11.67
1	768	13.49	254	10.08	137	11.67
2	756	13.68	252	10.14	136	11.72
3	727	14.12	229	10.91	131	12.11
4	703	14.46	201	11.98	124	12.54
5	676	14.88	179	12.87	118	12.98
6	649	15.27	160	13.75	112	13.38

Mineral Reserve Estimate for the LMZ

On completion of the mineral resource estimation update, measured and indicated resources were "blocked out" into mining sized blocks, recovery and dilution factors applied, and resource blocks exceeding the prevailing economic criteria converted to mineral reserve. Any resource blocks not recoverable for other reasons, such as technical or environmental reasons, were not converted. The Company's mineral reserve and remaining resource as set forth in the Orvana Technical Report are shown below:

Table 3 - Proven and Probable Reserves for the LMZ (3 g/t gold cut-off grade, $400 per ounce)

	Tonnes	Au (g/t)	Au (oz)
Proven	718,948	12.50	288,839
Probable	298,556	8.33	79,995
Total	1,017,503	11.27	368,834

Table 4 - LMZ Mineral Resources, additional to mineral reserves in table 3.

	Tonnes	Au (g/t)	Au (oz)
Measured	58,996	4.77	9,046
Indicated	11,790	3.23	1,223
Total	70,786	4.51	10,269
Inferred	136,777	11.67	51,336

For the purposes of estimating the mineral reserve tabulated above, the Company has considered variable recovery and dilution parameters, dependent on mining method and ore geometry. Three mining methods are employed at the Don Mario Mine, longhole open stoping, cut & fill and open-pit mining. The variable recovery and dilution has therefore been based upon a combination of factors including orebody geometry, sidewall rock conditions, orebody thickness and the mining method employed. Empirical findings have shown an average recovery and dilution close to 95% and 20%, respectively. The grade of the dilutive material has been estimated at 1.50 g/t gold. For a complete description of the recovery and dilution factors applied for the mineral reserve estimates, reference is made to the Orvana Technical Report, under the heading "12.13.3 – Recovery and Dilution" at pages 82 to 85.

Minimum mining widths of 3 metres have been used. These figures have been generated historically. Resources have been "blocked out" into stoping blocks, based upon existing or planned mining levels (15 metres vertical height) and each with 25 metres strike. The 3 g/t ore shell was originally used to define mineral resource ore envelopes. Each mining block was then diluted, and only blocks with mineable grades in excess of the cut-off grade required to meet total production costs were converted to reserves; any blocks that failed to meet these criteria remained mineral resource. This analysis was undertaken on the basis of a $400/oz gold price and total unit production costs of $32.65 per treated tonne based upon operations for the first nine months of fiscal 2005. For a complete description of the total unit production costs and cut off grade analysis used to define mineral reserves, reference is made to the Orvana Technical Report, under the heading "12.13.2 – Mining Factors" at pages 81 to 82.

Mineral Resource Estimate for the UMZ

Table 5 on the next page summarizes the measured and indicated resources at various gold-equivalent cut-offs:

Table 5 - UMZ Measured and Indicated Resources

	Measured						Indicated						TOTAL					
Cut-Off Grade AuEq [g/t]	**Tonnage [kt]**	**AuEq [g/t]**	**Au [g/t]**	**CuT [%]**	**Ag [g/t]**	**CuS [%]**	**Tonnage [kt]**	**AuEq [g/t]**	**Au [g/t]**	**CuT [%]**	**Ag [g/t]**	**CuS [%]**	**Tonnage [kt]**	**AuEq [g/t]**	**Au [g/t]**	**CuT [%]**	**Ag [g/t]**	**CuS [%]**
>6.0	340	8.26	2.21	2.76	75.12	1.36	884	7.67	2.63	2.35	56.53	1.23	1,225	7.83	2.51	2.46	61.69	1.27
>5.0	502	7.36	2.01	2.40	71.38	1.24	1,693	6.62	2.20	2.03	53.36	1.05	2,195	6.79	2.15	2.11	57.48	1.09
>4.0	713	6.51	1.79	2.09	65.20	1.14	2,884	5.74	1.81	1.77	50.56	0.89	3,597	5.89	1.81	1.84	53.46	0.94
>3.0	904	5.87	1.62	1.87	60.58	1.05	3,907	5.16	1.57	1.61	48.05	0.80	4,811	5.30	1.58	1.66	50.40	0.85
>2.0	1,032	5.46	1.51	1.73	57.51	0.98	4,366	4.89	1.47	1.53	46.16	0.76	5,398	5.00	1.47	1.57	48.33	0.80
>1.32	1,071	5.32	1.47	1.68	56.36	0.96	4,424	4.85	1.45	1.52	45.85	0.76	5,495	4.94	1.46	1.55	47.90	0.79
>1.27	1,073	5.31	1.47	1.68	56.30	0.96	4,424	4.85	1.45	1.52	45.84	0.76	5,498	4.94	1.46	1.55	47.88	0.79
>1.0	1,079	5.29	1.46	1.67	56.10	0.95	4,428	4.85	1.45	1.52	45.81	0.75	5,508	4.94	1.45	1.55	47.83	0.79
>0.5	1,084	5.27	1.46	1.67	55.93	0.95	4,430	4.85	1.45	1.52	45.80	0.75	5,514	4.93	1.45	1.55	47.79	0.79
>0.001	1,085	5.27	1.46	1.66	55.87	0.95	4,430	4.85	1.45	1.52	45.80	0.75	5,515	4.93	1.45	1.55	47.78	0.79
Total	1,085	5.27	1.46	1.66	55.87	0.95	4,430	4.85	1.45	1.52	45.80	0.75	5,515	4.93	1.45	1.55	47.78	0.79

Mineral Reserve Estimate for the UMZ

Table 6 sets forth the UMZ's proven and probable mineral reserves as set forth in the NCL Technical Report:

Table 6 - Don Mario UMZ - Proven and Probable Reserves for the UMZ [(using metal prices: $1.20/lb copper, $450/oz gold and $7.00/oz. silver)]

	Proven Reserves					Probable Reserves					Total Reserves				
Ore Type	Tonnes [kt]	Au [g/t]	Cu_T [%]	Ag [g/t]	Cu_S [%]	Tonnes [kt]	Au [g/t]	Cu_T [%]	Ag [g/t]	Cu_S [%]	Tonnes [kt]	Au [g/t]	Cu_T [%]	Ag [g/t]	Cu_S [%]
Oxides	664	1.43	1.75	56.5	1.19	1,513	1.51	1.77	45.6	1.22	2,177	1.49	1.77	48.9	1.21
Transition	273	1.49	1.45	57.7	0.64	1,616	1.45	1.35	50.3	0.70	1,889	1.46	1.37	51.3	0.69
Sulphides	134	1.25	1.28	38.2	0.16	1,247	1.25	1.27	36.2	0.17	1,382	1.25	1.27	36.4	0.17
Total	1,071	1.42	1.62	54.5	0.92	4,377	1.42	1.47	44.6	0.73	5,448	1.42	1.50	46.6	0.77

Cu_T is the total copper assay for the ore type, while Cu_S is the acid soluble copper assay for the ore type

(xi) Mining Operations, Exploration and Development

Reference is made to the information under the headings "11 – Mineral Processing and Metallurgical Testing" and "16 – Requirements for Technical Reports on Production Properties" at pages 51 to 54 and 93 to 107, respectively, of the Orvana Technical Report.

Reference is also made to the information under the heading "25 – Additional Requirements for Technical Reports on Development Properties and Production Properties" at pages 25-1 to 25-49, of the NCL Technical Report.

Other Properties

In February 2002, EMIPA completed the purchase from Sinchi Wayra of the Las Palmeras concession in Bolivia. This purchase was provided for in the Definitive Agreement. The Las Palmeras concession covers approximately 7,100 hectares in the Canton of San Ramon, Santa Rosa de la Mina and San Javier, in the Province of Ñuflo de Chavez. The Puquio Norte open pit gold mine operated within this concession until late 2001, when the ore body was exhausted and the operation was closed. As required by law, following closure of the mine in 2001, an environmental closure plan was presented to and approved by Bolivia's Ministry of Mining and Ministry of Environment. The reclamation work called for by the closure plan was undertaken and concluded. A final report on the effectiveness of the implementation of the closure plan was prepared by an independent consulting firm for Bolivia's Ministry of Mines and Ministry of Environment and was accepted by both ministries on October 31, 2006. Orvana has no plans to further explore the concession and, in December 2006, the Company gave Bolivia's Ministry of Mines formal notice of its intention to surrender its mining rights and has ceased payment of related fees.

The Company holds certain joint venture interests in a number of mineral concessions, located in the Altiplano region of Bolivia as well as a small NSR interest in the Central Inlier property in Jamaica. These assets are carried at a nominal amount in the Company's consolidated financial statements and related liabilities and expenses are not material.

4. DIVIDENDS

The Company has not declared nor paid any dividends to date. The payment of any future dividends by the Company will be considered by the board of directors having regard to the Company's earnings, financial requirements and other conditions at a future time.

5. DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of the Company consists of an unlimited number of common shares. As at September 30, 2008, there were 115,233,173 common shares issued and outstanding. Under the Definitive Agreement, Fabulosa, the Company's controlling shareholder, has the right to receive common shares of the Company at no additional cost, on a one-for-one basis, for each common share issued by the Company as a result of the exercise of stock options outstanding on the date of the agreement. At September 30, 2008, this right related to 65,000 options exercisable at Canadian $1.00 expiring December 8, 2008.

Under the Definitive Agreement, Fabulosa has a pre-emptive right with respect to the issuance of additional common shares or securities convertible into common shares to other persons, entitling Fabulosa to acquire common shares or convertible securities on the same terms and conditions as those so issued by the Company, subject to applicable requirements of the Toronto Stock Exchange. Fabulosa is also entitled to receive common shares in certain circumstances in the event that it is entitled to indemnification for a breach of a representation or warranty in the Definitive Agreement.

6. MARKET FOR SECURITIES

The Company's common shares are listed and traded on the Toronto Stock Exchange under the symbol "ORV". The following table provides the historical monthly trading price ranges and volumes during the fiscal year ended September 30, 2008.

Month	Volume (1,000)	High	Low
October 2007	4,436	$1.12	$0.88
November 2007	1,731	$0.99	$0.75
December 2007	1,713	$0.88	$0.67
January 2008	2,328	$0.84	$0.70
February 2008	1,575	$0.83	$0.72
March 2008	948	$0.77	$0.68
April 2008	1,053	$0.71	$0.60
May 2008	1,624	$0.74	$0.62
June 2008	665	$0.72	$0.66
July 2008	832	$0.71	$0.55
August 2008	980	$0.67	$0.53
September 2008	1,427	$0.64	$0.54

7. DIRECTORS AND OFFICERS

The names and provinces/states of residence of the directors and officers of the Company as at September 30, 2008, the positions and offices held by them with the Company, and their principal occupations for the past five years are set forth below.

Name and Province or State and Country of Residence	Position with the Company(1)	Principal Occupation For Past Five Years
Bradshaw, Dr. Peter(3)(4) British Columbia, Canada	Director since May 2006	President and Chief Executive Officer of First Point Minerals Corp., a mining company, since June 1996.
Herrera Soria, Enrique(3)(4) Lima, Peru	Director since April 2007	Managing Director of Aluz Company Energy PLC, a clean energy developer, since August 2007; and Chief Executive Officer of Empresa Electrica Valle Hermoso S.A., a utility company, from December 2002
Jespersen, C. Kent Alberta, Canada	Director since 2007	Chairman of the Company since December 2007, and Chairman and Chief Executive Officer of La Jolla Resources International, a business advisory and investment company, since July 1998.
Logan, J. Robert(2)(4) Arizona, USA	Director since December 2007	Private Investor since June 2006; prior to that, Managing Director, Fixed Income Capital Markets, at Citigroup, a financial services company, since 1992.
Mitchell, J. Christopher(2)(3)(4) British Columbia, Canada	Director since January 2004	President and Director of Adera Company Management Inc., a financial and administrative services company, since July 2003.
Mitchell, Robert A.,C.A.(2) Ontario, Canada	Director since April 2007 and from December 2003 to June 2006	Corporate director from October 2001; prior to October 2001, Partner, Ernst & Young LLP, a public accounting firm.
Mirabal, Carlos Santa Cruz, Bolivia	President and Chief Executive Officer and Director since October 2006	President and Chief Executive Officer of the Company since October 2006; prior to that was Vice President of Operations of Sinchi Wayra S.A., a mining company, from August 1996 to September 2006.
King, Malcolm, Ontario, Canada	Vice President and Chief Financial Officer since February 2006	Vice President and Chief Financial Officer of the Company since February 2006; prior to that was Vice President and Controller of the Company from June 2005; Consultant from June 2003 to June 2005; and Chief Financial Officer and Director of IQ-Ludorum plc, a software development company, from February 2001 to June 2003.
Williams, Bill Arizona, USA	Vice President, Corporate Development since 2008	Vice President, Corporate Development of the Company since March 2008; prior to that was Vice President, Freeport McMoRan Exploration Company, a mining company
Ciglic, Joan Ontario, Canada	Corporate Secretary since May 2006	Corporate Secretary of the Company since May 2006; prior to that was Manager, Administration of the Company from June 2005; Sales Assistant with Woodward Marketing, a marketing company, from February 2004 to May 2005; Manager, Human Resources with Kinross Gold Corporation, a mining company, from February to October 2003; Financial Services Coordinator for TVX Gold Inc., a mining company, from October 1989 to January 2003.

Notes:
(1) The term of office of each director expires at the close of the next annual meeting of shareholders of the Company. Officers of the Company serve at the pleasure of the Company's Board of Directors.
(2) Member of the Audit Committee.
(3) Member of the Compensation, Nominating and Corporate Governance Committee.
(4) Member of the Business Development Committee (until that committee was discontinued on November 19, 2008).

As at November 24, 2008, to the knowledge of the Company, the directors and officers of the Company beneficially owned, or exercised control or direction over, directly or indirectly, an aggregate of 387,427 common shares, representing approximately 0.3% of the issued and outstanding common shares of the Company.

8. INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

As described above under the heading "Description of Capital Structure", under the Definitive Agreement, Fabulosa, the Company's controlling shareholder, has the right to receive common shares of the Company at no additional cost, on a one-for-one basis, for each common share issued by the Company as a result of the exercise of stock options outstanding on the date of the agreement. At September 30, 2008, this right related to 65,000 options exercisable at Canadian $1.00 expiring December 8, 2008.

Under the Definitive Agreement, Fabulosa has a pre-emptive right with respect to the issuance of additional common shares or securities convertible into common shares to other persons, entitling Fabulosa to acquire common shares or convertible securities on the same terms and conditions as those so issued by the Company, subject to applicable requirements of the Toronto Stock Exchange. Fabulosa is also entitled to receive common shares in certain circumstances in the event that it is entitled to indemnification for a breach of a representation or warranty in the Definitive Agreement.

9. TRANSFER AGENT AND REGISTRAR

The Company's transfer agent and registrar is Equity Transfer & Trust Company, 200 University Avenue, Suite 400, Toronto, ON, M5H 4H1.

10. AUDIT COMMITTEE DISCLOSURE

The Audit Committee's Charter

The charter of the Audit Committee of the Company is included in this Annual Information Form as Appendix A.

Composition of the Audit Committee

The Audit Committee members are Robert Mitchell, J. Christopher Mitchell, and Robert Logan, each of whom is "independent" and "financially literate", as such terms are defined in Multilateral Instrument 52-110 – Audit Committees of the Canadian Securities Administrators.

Mr. Robert Mitchell is a Chartered Accountant and holds a Bachelor of Commerce degree. In addition to his role as Chair of the Company's Audit Committee, he is a director of other companies, and is the Chairman of the Audit Committee of one and a member of the Audit Committee of another. He was a partner with Ernst & Young LLP for 27 years and has extensive experience in the investment and securities industries.

Mr. Christopher Mitchell holds a Bachelor of Science, a Master of Science and a Master of Business Administration (Finance). He has over 36 years of experience in corporate administrative and financial management roles with companies in the mineral exploration and mining sectors, including serving as Chief Financial Officer of five such companies. He is a director of two other public companies.

Mr. Robert Logan holds a Master of Business Administration and a Bachelor of Science degree. He also holds an ICD.D designation granted by the Institute of Corporate Directors. Mr. Logan has over 20 years experience in the investment banking industry and he is a director of other companies, and is the Chairman of the Audit Committee of one of the companies.

Pre-approval Policies and Procedures

The charter of the Audit Committee requires prior approval by the Audit Committee of non-audit services to be provided by the Company's auditors or, if the Audit Committee determines it to be appropriate, prior approval by the Chair of the Audit Committee. In the latter case, any pre-approval must be presented to the full Audit Committee at its next scheduled meeting.

External Auditor Service Fees (By Category)

The following table sets forth the fees billed for fiscal 2008 and fiscal 2007 by PricewaterhouseCoopers LLP ("PWC"), the Company's external auditors, for the services described below provided to Orvana and its subsidiaries:

Year ended September 30 (US$'000)	**2008**	**2007**
Audit fees(1)	$220	$138
Audit-related fees(2)	-	-
Tax fees(3)	39	50
All other fees(4)	98	8
Total fees	$357	$196

Notes:

(1) "Audit fees" include the aggregate professional fees billed by PWC for the audit of the annual consolidated financial statements of the Company.

(2) "Audit-related fees" include the fees billed by PWC for assurance and related services by PWC that are reasonably related to the performance of the audit and are not included in "Audit fees" including guidance in meeting the requirements of Multilateral Instrument 52-109.

(3) "Tax fees" include the aggregate fees billed by PWC for tax compliance, tax advice, tax planning and advisory services relating to the preparation of corporate income tax and capital tax returns.

(4) "All other fees" include the aggregate fees billed by PWC for all other products and services other than those presented in the categories of audit fees, audit-related fees and tax fees including assistance with due diligence in connection with acquisition activities.

11. AUDITORS AND EXPERTS

PricewaterhouseCoopers LLP is the Company's external auditor and prepared the "Auditors' Report to the Shareholders of Orvana Minerals Corp.", dated December 3, 2008 in respect of the Company's financial statements for the fiscal year ended September 30, 2008.

AMEC prepared the AMEC Technical Report. PAH prepared the PAH Technical Report. M.J. Hodgson, C. Eng., formerly Vice President and Chief Operating Officer of the Company, prepared the Orvana Technical Report for and on behalf of the Company. Mr. Hodgson was an employee of the Company and was granted options to acquire 450,000 common shares of which he retained 300,000 options on his departure from the Company in October 2006. The NCL Technical Report was prepared by NCL and their associates Edwin Bentzen III, Senior Project Manager and Metallurgist for Resource Development Inc. and Karl M. Kolin, P. E., Principal Mine Engineer for Gustavson Associates LLC. Both individuals are qualified persons in accordance with definitions set out in National Instrument 43-101.

12. ADDITIONAL INFORMATION

Additional information with respect to Orvana, including directors' and officers' remuneration and indebtedness, principal holders of Orvana's securities and securities authorized for issuance under equity compensation plans, where applicable, is contained in Orvana's management information circular for its most recent annual meeting of shareholders that involved the election of directors. Additional financial information is provided in Orvana's comparative audited financial statements and management's discussion and analysis for its most recently completed financial year. This information and additional information relating to Orvana are available on SEDAR at www.sedar.com and on Orvana's website at www.orvana.com.

APPENDIX A

ORVANA MINERALS CORP.

AUDIT COMMITTEE CHARTER

Membership

The Audit Committee of the Board of Directors (the "Board") of Orvana Minerals Corp. (the "Corporation") shall consist of such number of members (at least three) as are appointed from time to time by the Board. Unless otherwise determined by the Board and permitted by Multilateral Instrument 52-110 – *Audit Committees* ("MI 52-110"), the Audit Committee shall be composed solely of directors who have no direct or indirect material relationship with the Corporation which could, in the view of the Board, reasonably interfere with the exercise of such director's independent judgement, and are otherwise independent as determined in accordance with MI 52-110. In addition, a majority of the members shall be resident Canadians.

Unless otherwise determined by the Board and permitted by MI 52-110, all members of the Committee shall be financially literate, meaning they shall have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues generally comparable to the issues that can reasonably be expected to be raised by the Corporation's financial statements.

The Board shall appoint the Chair of the Committee.

The Board may, by resolution, at any time remove any member of the Committee, with or without cause, or add to or otherwise change the membership of the Committee. Committee membership shall not, however, be reduced to less than three or vary from the qualification requirements specified above. A member of the Committee shall cease to be a member upon ceasing to be a director.

Duties and Responsibilities

The Committee shall have all the powers and duties conferred on it by the laws governing the Corporation and such other powers and duties as may be conferred on it from time to time by resolution of the Board. In addition to the foregoing powers and duties, the Committee shall have the following duties and responsibilities:

1) To review, prior to approval thereof by the Board and public disclosure thereof, all financial statements of the Corporation, whether annual or periodic, and the external auditor's report, if any, thereon and any annual or interim MD&A (a) prepared for submission to a meeting of the directors of the Corporation, (b) which may be required by applicable law to be reviewed by the Committee or (c) which the Board may by resolution determine shall be so reviewed, and to report to the Board:

   (i) if the same have been prepared in accordance with the laws to which the Corporation is subject and the policies from time to time adopted by the Board;

   (ii) any significant changes in the form or content of such statements from the corresponding statements most recently approved by the Board and the reason(s) therefore, together with any intervening developments in relevant accounting principles, policies and practices which have been taken into account in preparing such financial statements or which, in the opinion of the Committee or the external auditor of the Corporation, might have been taken into account for that purpose; and

   (iii) where deemed to be appropriate, the report of the external auditor as to form and content of such statements and as to the level of co-operation of management received by the external auditor in the conduct of the audit.

2) To review all annual or periodic earnings press releases of the Corporation prior to public disclosure by the Corporation.

3) To satisfy itself that adequate procedures are in place for the review of public disclosure of any financial information of the Corporation other than information listed in (1) and (2) above and to periodically assess such procedures.

4) To review all financial statements of the Corporation, whether annual or periodic, appearing in a prospectus.

5) To review such returns of the Corporation as may be required by any regulatory authority and the compliance of any subsidiary of the Corporation with all applicable laws, regulations and standards.

6) To review estimates and judgments that are material to reported financial information, and consider the quality and acceptability of the Corporation's accounting policies and procedures and the clarity of disclosure in financial statements.

7) To review such investments and transactions that could adversely affect the well-being of the Corporation as the external auditor or any officers of the Corporation may bring to the attention of the Committee.

8) To receive reports on the periodic findings of any regulatory authority and management's response and observations thereon.

9) To meet with the external auditor to discuss the quarterly and annual statements and the transactions referred to in this Charter.

10) To review the audit plan, including such factors as the integration of the external auditor's plan for procedures performed in Canada and elsewhere and whether the nature and scope of the planned audit procedures can be expected to detect material weaknesses in internal controls and determine if financial statements present fairly and accurately the Corporation's financial position in accordance with generally accepted accounting principles.

11) To identify the risks inherent in the business of the Corporation and to review and approve management's risk philosophy and risk management policies necessary to address as much as reasonably possible those identified risks.

12) To review periodically, but at least annually, management reports demonstrating compliance with risk management policies and confirm annually that management has taken reasonable steps to ensure compliance with standards.

13) To review and recommend to the Board the appointment of an external auditor and the compensation of such external auditor.

14) To review and evaluate the performance of the external auditor, including how and under what circumstances external auditors are to be rotated or removed, such review to include, but not be limited to:

    (i) a review of estimated and actual fees;

    (ii) a review of the engagement letter of the external auditor and the scope and timing of the audit work; and

    (iii) pre-approval of all non-audit work to be performed by the external auditor and the fees to be paid therefore.

15) To review and approve the Corporation's hiring policies regarding current and former partners and employees of the external auditor.

16) To be directly responsible for overseeing the work of the external auditor including the resolution of disagreements between management and the external auditor regarding financial reporting.

17) To review with the external auditor the performance of management involved in the preparation of financial statements, any problems encountered by the external auditor, any restrictions on the external auditor's work, the co-operation received in performance of the audit and the audit findings, any significant recommendations made to management on internal controls and other financial and business matters and management's response to the recommendations.

18) To provide the external auditor with the opportunity to meet with the Committee without management present at least once per year for the purpose of discussing any issues.

19) If determined appropriate by the Committee, to delegate authority to pre-approve non-audit services of the external auditor to the chair of the Committee, which pre-approval must be presented to the full Committee at its next scheduled meeting.

20) To confirm the accountability of the external auditor to the Committee and the Board and to satisfy itself that the external auditor's independence in carrying out the audit function is not impaired by either management or the external auditor's own action or activities.

21) To require the management of the Corporation to implement and maintain appropriate internal control and data security procedures and oversee their implementation and operation.

22) To review the competence and adequacy of the Corporation's staffing for the accounting, financial and internal audit functions.

23) To establish a satisfactory procedure for the receipt, retention and handling of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters, which will include procedures for the confidential, anonymous submission of concerns by employees with regard to these matters.

24) To report and make recommendations to the Board arising from its responsibilities as the Committee considers appropriate.

To ensure that the Committee is able to discharge the foregoing duties and responsibilities, the Corporation shall require the external auditor to report directly to the Committee.

Minutes

Minutes shall be kept of all meetings of the Committee.

Meetings

Except as otherwise provided in this mandate, the rules and regulations relating to the calling and holding of and proceedings at meetings of the Committee shall be those, making allowance for the fact that it is a committee, that apply to meetings of the Board, subject to such modifications as may, from time to time, be determined by resolution of the Committee. Until otherwise determined by resolution of the Board:

1) The quorum for meetings of the Committee shall be two of its members.

2) Meetings of the Committee may be called by its Chair or Vice Chair, if any, or by any member of the Committee, or by the external auditor of the Corporation. The Committee may at any time request the attendance of any officer of the Corporation or any person at any meeting of the

Committee. Any member of the Committee may request the external auditor of the Corporation to attend every meeting of the Committee held during the member’s term of office.

3) The external auditor of the Corporation shall receive notice of every meeting of the Committee and may attend and be heard at any meeting.

4) Meetings of the Committee shall be held at such time and place as may be determined from time to time by the Committee or by the Chair or Vice Chair, if any, of the Committee, and notice thereof shall be given in the manner and with the length of notice provided in the resolution(s) of the Board relating to notices of meetings of directors.

Reports to the Board

The Committee shall report to the Board as follows:

1) In the case of annual statements and any returns that under applicable legislation must be approved by the Board, the Committee shall report thereon to the Board before approval is given.

2) All significant actions of the Committee shall be reported to the Board whenever possible at its next succeeding regular Board meeting and shall be subject to revision or alteration by the Board.

The Committee may call a meeting of the Board to consider any matter of concern to the Committee.

Access to Information

In its discharge of the foregoing duties and responsibilities, the Committee shall have the authority to communicate directly with the external auditor and shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to the relevant accounting books, records and systems of the Corporation and shall discuss with the officers and auditors of the Corporation such books, records, systems and other matters considered appropriate.

Independent Advisors

The Committee shall have the authority to engage 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.

Board Review of Charter

The Board shall review the adequacy of the Committee’s charter on at least an annual basis. In accordance with MI 52-110, the text of this charter shall be included in the Corporation’s Annual Information Form.