ORVANA MINERALS CORP.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

MARCH 31, 2009

(UNAUDITED)

(EXPRESSED IN UNITED STATES DOLLARS)

Notice to Reader

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements they must be accompanied by a notice indicating that the financial statements have not been reviewed by an auditor.

The accompanying unaudited interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these unaudited interim consolidated financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of interim financial statements by an entity's auditor.

ORVANA MINERALS CORP.

Interim Consolidated Balance Sheets

(In thousands of United States dollars)

(Unaudited)	As at March 31 2009	As at September 30 2008
Assets		
Current assets		
Cash and cash equivalents	$ 96,217	$ 91,041
Gold sales receivable	-	1,785
Value-added taxes receivable and prepaid expenses	3,856	4,275
Gold inventory	751	641
Supplies inventory	3,413	2,871
	104,237	100,613
Property, plant and equipment (note 3)	19,529	20,072
	$ 123,766	$ 120,685
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	$ 3,808	$ 6,786
Income taxes payable	6,501	7,792
Current portion of long-term debt (note 4)	1,663	1,601
	11,972	16,179
Long-term debt (note 4)	1,796	2,644
Asset retirement obligations (note 5)	2,240	2,156
Provision for statutory labour obligations	1,263	1,307
Future income tax liability	877	1,537
Long-term compensation (note 7(b))	81	-
	18,229	23,823
Shareholders' equity		
Share capital (note 6)	74,777	74,777
Contributed surplus	1,620	1,553
Retained earnings	29,140	20,532
	105,537	96,862
	$ 123,766	$ 120,685

Commitments and contingencies (note 8)
Subsequent events (note 11)

The notes to consolidated financial statements are an integral part of these statements.

ORVANA MINERALS CORP.

Interim Consolidated Statements of Income and Comprehensive Income

(In thousands of United States dollars except per share amounts)

(Unaudited)	Three months ended March 31 2009	Three months ended March 31 2008	Six months ended March 31 2009	Six months ended March 31 2008
Revenues				
Gold sales	$ 16,311	$ 19,062	$ 30,476	$ 35,139
Costs and expenses of mining operations				
Cost of sales	3,229	3,078	6,629	6,096
Royalties and mining rights	502	607	960	1,118
Mining royalty taxes	1,138	1,294	2,126	1,411
Depreciation and amortization	1,734	1,850	3,402	3,962
Accretion (note 5)	42	42	84	84
	6,645	6,871	13,201	12,671
	9,666	12,191	17,275	22,468
Expenses (income)				
General and administration	997	1,281	1,837	2,194
Exploration	111	622	258	928
Stock-based compensation (note 7(a))	42	56	67	128
Community relations	35	36	69	90
Interest on long-term debt	74	11	156	11
Interest and other income	(104)	(660)	(728)	(1,338)
Foreign exchange	6	161	98	225
	1,161	1,507	1,757	2,238
Income before provision for income taxes	8,505	10,684	15,518	20,230
Provision for income taxes				
Current income taxes	3,848	3,582	7,569	6,263
Future income taxes / (recovery)	(37)	-	(659)	-
	3,811	3,582	6,910	6,263
Net income and comprehensive income	$ 4,694	$ 7,102	$ 8,608	$ 13,967
Earnings per share				
Basic and diluted	$ 0.04	$ 0.06	$ 0.07	$ 0.12
Weighted average number of shares outstanding - basic (note 6(b))	115,233,173	115,233,173	115,233,173	115,233,173
Dilutive effect of stock options	-	88,107	35,608	151,472
Weighted average number of shares outstanding - diluted	115,233,173	115,321,280	115,268,781	115,384,645

The notes to consolidated financial statements are an integral part of these statements.

ORVANA MINERALS CORP.

Interim Consolidated Statements of Cash Flows

(In thousands of United States dollars)

(Unaudited)	Three months ended March 31 2009	Three months ended March 31 2008	Six months ended March 31 2009	Six months ended March 31 2008
Operating activities				
Net income	$ 4,694	$ 7,102	$ 8,608	$ 13,967
Depreciation and amortization	1,734	1,850	3,402	3,962
Accretion (note 5)	42	42	84	84
Stock-based compensation (note 7(a))	42	56	67	128
Future income taxes	(37)	-	(659)	-
Provision for statutory labour obligations	(59)	(7)	(44)	(16)
Long-term compensation expense (note 7(b))	14	-	81	-
Foreign exchange	6	161	98	225
	6,436	9,204	11,637	18,350
Changes in non-cash working capital items				
Gold sales receivable	-	-	1,785	1,462
Value-added taxes receivable and prepaid expenses	109	429	419	533
Gold inventory	(29)	147	56	179
Supplies inventory	282	(315)	(542)	(473)
Accounts payable and accrued liabilities	(1,203)	599	(2,979)	878
Income taxes payable	(4,316)	(786)	(1,291)	939
	1,279	9,278	9,085	21,868
Financing activities				
Repayment of long-term debt	(397)	3,500	(786)	3,500
Investing activities				
Capital expenditures	(1,264)	(3,230)	(3,025)	(4,116)
Change in cash and cash equivalents	(382)	9,548	5,274	21,252
Cash and cash equivalents, beginning of period	96,605	67,307	91,041	55,667
Effect of exchange rate changes on cash held in foreign currencies	(6)	(161)	(98)	(225)
Cash and cash equivalents, end of period	$ 96,217	$ 76,694	$ 96,217	$ 76,694

The notes to consolidated financial statements are an integral part of these statements.

ORVANA MINERALS CORP.

Interim Consolidated Statements of Changes in Shareholders' Equity

(In thousands of United States dollars)

(Unaudited)		Share capital		Contributed Surplus		Retained Earnings (Deficit)		Total
Balance, September 30, 2007	$	74,777	$	1,354	$	(5,175)	$	70,956
Grant of stock options		-		151		-		151
Vesting of previously issued stock options		-		48		-		48
Net income		-		-		25,707		25,707
Balance, September 30, 2008	$	74,777	$	1,553	$	20,532	$	96,862
Grant of stock options (note 7(a))		-		25		-		25
Vesting of previously issued stock options (note 7(a))		-		42		-		42
Net income		-		-		8,608		8,608
Balance, March 31, 2009	$	74,777	$	1,620	$	29,140	$	105,537

Interim Consolidated Statements of Retained Earnings

(In thousands of United States dollars)

	Three months ended March 31				Six months ended March 31			
(Unaudited)		**2009**		**2008**		**2009**		**2008**
Retained earnings (deficit), beginning of period	$	24,446	$	1,690	$	20,532	$	(5,175)
Net income		4,694		7,102		8,608		13,967
Retained earnings, end of period	$	29,140	$	8,792	$	29,140	$	8,792

The notes to consolidated financial statements are an integral part of these statements.

1. Nature of operations

Orvana Minerals Corp. (the "Company" or "Orvana") is a Canadian mining and exploration company based in Toronto, Ontario involved in the evaluation, development and mining of precious and base metal deposits. The Company owns and operates the Don Mario Mine and property in eastern Bolivia which is held indirectly through its wholly-owned subsidiary, Empresa Minera Paititi S.A. ("EMIPA"). In addition, in fiscal 2008, the Company acquired the Copperwood Project in the United States, which is held indirectly through its wholly-owned subsidiary, Orvana Resources US Corp. ("Orvana Resources"). The Company's shares are listed on the Toronto Stock Exchange.

2. Basis of presentation and new accounting policies

(a) Basis of presentation

The unaudited interim consolidated financial statements have been prepared by the Company in accordance with Canadian generally accepted accounting principles ("GAAP"). The preparation of the financial statements is based on accounting policies and practices consistent with those used in the preparation of the audited annual consolidated financial statements except as noted below. The accompanying unaudited interim consolidated financial statements should be read in conjunction with the notes to the Company's audited consolidated financial statements for the year ended September 30, 2008, since they do not contain all disclosures required by GAAP for annual financial statements. These unaudited interim consolidated financial statements reflect all normal and recurring adjustments which are, in the opinion of management, necessary for a fair presentation of the respective interim periods presented.

(b) New accounting policies

Deferred Share Unit ("DSU") Plan

The Company established a DSU plan, effective October 1, 2008. The initial fair value of units issued is recognised as directors' fees within general and administration in the consolidated statement of income and comprehensive income. The fair value of the DSUs is marked to the quoted market price of the Company's shares at each reporting date and changes in their fair value are recorded in general and administrative expense.

Credit Risk and the Fair Value of Financial Assets and Financial Liabilities

In January 2009, the Emerging Issues Committee of the Canadian Institute of Chartered Accountants ("CICA") issued EIC-173, "Credit Risk and the Fair Value of Financial Assets and Financial Liabilities" which applies to interim and annual financial statements for periods ending on or after January 20, 2009. The adoption of this standard had no impact on the Company's presentation of its financial position or results of operations as at March 31, 2009 and for the three and six-month periods then ended.

Mining Exploration Costs

On March 27, 2009, the Emerging Issues Committee of the CICA approved an abstract EIC-174, "Mining Exploration Costs", which provides guidance on capitalization of exploration costs related to mining properties in particular, and on impairment of long-lived assets in general. The adoption of this abstract had no impact on the Company's presentation of its financial position or results of operations as at March 31, 2009 and for the three and six-month periods then ended.

(In thousands of United States Dollars unless otherwise noted)

2. Basis of presentation and new accounting policies (continued)

(c) Future accounting changes

International Financial Reporting Standards ("IFRS")

In January 2006, the CICA's Accounting Standards Board ("AcSB") formally adopted the strategy of replacing Canadian GAAP with IFRS for Canadian enterprises with public accountability. The current conversion timetable calls for financial reporting under IFRS for accounting periods commencing on or after January 1, 2011. IFRS will be required for Orvana's interim and annual financial statements for the fiscal year beginning October 1, 2011.

The Company is currently assessing the impact of IFRS on its consolidated financial statements.

Business Combinations, Consolidated Financial Statements and Non-Controlling Interests

The CICA issued three new accounting standards in January 2009: Section 1582, "Business Combinations", Section 1601, "Consolidated Financial Statements" and Section 1602, "Non-Controlling interests". These new standards will be effective for fiscal years beginning on or after January 1, 2011. Section 1582 replaces section 1581 and establishes standards for the accounting for a business combination. It provides the Canadian equivalent to IFRS 3, "Business Combinations". Sections 1601 and 1602 together replace section 1600, "Consolidated Financial Statements". Section 1601 establishes standards for the preparation of consolidated financial statements. Section 1602 establishes standards for accounting for a non-controlling interest in a subsidiary in consolidated financial statements subsequent to a business combination. It is equivalent to the corresponding provisions of IFRS lAS-27, "Consolidated and Separate Financial Statements". The Company is in the process of evaluating the requirements of the new standards.

3. Property, plant and equipment

March 31, 2009	Cost	Accumulated amortization	Net carrying value
Plant and equipment	$ 36,291	$ 25,212	$ 11,079
Construction in process	2,665	-	2,665
Mineral properties and deferred development costs	9,997	6,166	3,831
Asset retirement costs	1,499	1,110	389
Furniture and equipment	126	74	52
Mineral properties - Copperwood Project	1,513	-	1,513
	$ 52,091	$ 32,562	$ 19,529

(In thousands of United States Dollars unless otherwise noted)

3. Property, plant and equipment (continued)

September 30, 2008		Cost		Accumulated amortization		Net carrying value
Plant and equipment	$	33,693	$	21,975	$	11,718
Construction in process		3,957		-		3,957
Mineral properties and deferred development costs		9,627		5,902		3,725
Asset retirement costs		1,499		1,054		445
Furniture and equipment		121		63		58
Mineral properties - Copperwood Project		169		-		169
	$	49,066	$	28,994	$	20,072

4. Long-term debt

On March 4, 2008, EMIPA entered into a term credit facility agreement of $5,000 with a Bolivian Bank. This facility bears interest at 7.75% per annum and is payable in equal quarterly installments over a three-year period as set out in the repayment table of this note. The Company has the option of prepaying the loan prior to the end of its term without penalties. During the periods presented, repayments of $389 and $397 were made on December 17, 2008 and March 17, 2009, respectively. At March 31, 2009, $3,459 was outstanding under this facility.

There are no specific covenants related to this facility.

Long-term debt repayments are as follows:		
Fiscal 2009	$	816
2010		1,728
2011		915
		3,459
Less: current portion		(1,663)
	$	1,796

(In thousands of United States Dollars unless otherwise noted)

5. Asset retirement obligations

The following table summarizes the changes in asset retirement obligations during the periods presented:

	Six months ended March 31 2009	Year ended September 30 2008
Balance, beginning of period	$ 2,156	$ 1,988
Accretion expense	84	168
Balance, end of period	$ 2,240	$ 2,156

6. Share capital

(a) Authorized - unlimited number of common shares

(b) Common shares issued

	Number of common shares	Stated value
Balance, March 31, 2009 and September 30, 2008	115,233,173	$ 74,777

7. Stock options and long-term compensation

(a) Stock options

A summary of the stock option transactions for the six-month period is as follows:

	Number of Stock options	Weighted average exercise price
Balance, September 30, 2008	2,990,001	Cdn $0.90
Granted (1)	275,000	0.64
Expired	(65,000)	1.00
Balance, March 31, 2009	3,200,001	$0.88

Stock options have been expensed as follows:

	Cumulative expense to March 31 2009	Remainder to be expensed	Total stock option compensation
Stock option expense	$ 1,620	$ 78	$ 1,698

(In thousands of United States Dollars unless otherwise noted)

7. Stock options and long-term compensation (continued)

(a) Stock options (continued)

[(1)] During the period ended March 31, 2009, the fair value of each option grant was estimated using the Black-Scholes option-pricing model with the following assumptions:

Risk-free interest rate:	1.53%
Expected life in years:	5
Expected volatility:	61%
Expected dividend yield:	0%

The weighted-average grant date fair value of these options was $73 or Cdn. $0.34 per share and this amount is expensed over the vesting periods.

The Company uses the fair value method of accounting and, during the three and six months ended March 31, 2009 recognized stock-based compensation expense of $42 and $67, respectively (three and six months ended March 31, 2008 - $56 and $128).

As at March 31, 2009, outstanding and exercisable stock options granted were as follows:

Grant Date	Fair Value	Number of Non-Vested Options	Weighted Average Contractual Life (in years)	Number of Vested Options	Exercise Price	Expiry Date
April 1, 2005	$ 471	-	1.00	1,025,000	Cdn $1.03	April 1, 2010
June 30, 2005	210	-	1.25	470,000	1.00	June 30, 2010
September 26, 2005	16	-	1.49	30,000	1.20	September 26, 2010
May 12, 2006	19	-	2.12	41,667	1.05	May 12, 2011
June 23, 2006	129	-	2.23	325,000	0.89	June 23, 2011
July 5, 2006	24	-	2.26	58,334	0.91	July 5, 2011
December 14, 2006	99	-	2.71	350,000	0.60	December 14, 2011
August 9, 2007	55	50,000	3.36	100,000	0.69	August 8, 2012
December 3, 2007	150	108,334	3.68	216,666	0.81	December 3, 2012
March 3, 2008	65	50,000	3.93	100,000	0.75	March 3, 2013
March 5, 2009	73	183,333	4.93	91,667	0.64	March 5, 2014
	$1,311	391,667	2.25	2,808,334		
Total vested and non-vested stock options				3,200,001		

As at March 31, 2009, the fair value associated with non-vested stock options is $171 (March 31, 2008 - $249).

(In thousands of United States Dollars unless otherwise noted)

7. Stock options and long-term compensation (continued)

(b) Long-term compensation

Effective October 1, 2008, the Company established a DSU plan for its non-employee directors with each DSU having the same value as an Orvana common share. Under the DSU Plan, non-employee directors receive a portion of their annual compensation in the form of DSUs. The DSUs vest immediately and are redeemable in cash, after the date on which the individual ceases to be a director, they are redeemable in one or two tranches at the election of the individual. Full payment must be made no later than December 15th of the first calendar year immediately after the director ceases to be a director. The DSUs are recorded at fair value based on the average value of Orvana's common shares for the five days immediately preceding the date of grant and the DSUs are adjusted for changes in fair value. The fair value of amounts granted each period together with the changes in fair value are expensed in the period.

As at March 31, 2009

	DSUs		Fair value
Granted October 1, 2009	148,518	$	71
Change in fair value	-		10
	148,518	$	81

8. Commitments and contingencies

(a) The Company's mining and exploration activities are subject to various government laws and regulations relating to the protection of the environment. These environmental regulations are continually changing and generally becoming more restrictive. The Company records provisions for asset retirement obligations based on management's estimate of such costs. These estimates are, however, subject to changes in laws and regulations.

(b) The mining concessions on which the Company is actively pursuing its exploration and development activities are largely located in eastern Bolivia. As a result, the Company is subject to certain risks, including currency fluctuations and possible political or economic instability in Bolivia, which may result in the impairment or loss of mineral concessions or other mineral rights. Any changes in laws or regulations, including possible changes to the Bolivian Mining Code, or shifts in political attitudes, are beyond the control of the Company and may adversely affect its business.

9. Comparative Information

Certain comparative figures have been reclassified to conform with current period financial statement presentation.

(In thousands of United States Dollars unless otherwise noted)

10. Segmented information

The Company primarily operates in one reportable operating segment, being the exploration, development and commercial production of mineral properties in Bolivia and the United States. The Company has administrative offices in Toronto, Canada, Stockholm, Sweden and Nicosia, Cyprus. Geographical information is as follows:

As at March 31, 2009 and for the six months then ended:

	Gold Sales	Cash and cash equivalents	Property, plant and equipment	Other assets	Total assets
Bolivia	$ 30,476	$ 2,154	$ 17,963	$ 7,794	$ 27,911
United States	-	-	1,513	-	1,513
Canada	-	34,505	53	212	34,770
Sweden	-	59,440	-	-	59,440
Cyprus	-	118	-	14	132
	$ 30,476	$ 96,217	$ 19,529	$ 8,020	$ 123,766

As at March 31, 2008 and for the six months then ended:

	Gold Sales	Cash and cash equivalents	Property, plant and equipment	Other assets	Total assets
Bolivia	$ 35,139	$ 3,811	$ 17,690	$ 5,391	$ 26,892
United States	-	4,964	-	-	4,964
Canada	-	38,035	92	766	38,893
Sweden	-	29,821	-	-	29,821
Cyprus	-	63	-	-	63
	$ 35,139	$ 76,694	$ 17,782	$ 6,157	$ 100,633

As at September 30, 2008 and for the year then ended:

	Gold Sales	Cash and cash equivalents	Property, plant and equipment	Other assets	Total assets
Bolivia	$ 69,064	$ 757	$ 19,846	$ 9,142	$ 29,745
United States	-	-	169	-	169
Canada	-	37,037	57	359	37,453
Sweden	-	53,200	-	66	53,266
Cyprus	-	47	-	5	52
	$ 69,064	$ 91,041	$ 20,072	$ 9,572	$ 120,685

11. Subsequent event

(a) On May 11, 2009 the Company announced that it intends to make an all-cash offer of Canadian $0.55 per share for all outstanding shares of Kinbauri Gold Corp. ("Kinbauri") , a gold exploration company based in Carp, Ontario. On a fully diluted basis, the total share price is expected to be approximately $25.4 million.

Kinbauri rejected this offer and on May 12, 2009, the Company reaffirmed its intention to acquire Kinbauri shares for Canadian $0.55 per share.

The Company expects to commence its offer prior to May 25, 2009. The offer will be subject to the conditions that are customary for a transaction of this nature.

(b) On May 14, 2009, the Board approved management's proposal to develop the UMZ multi-metals project.