ORVANA
MINERALS CORP.

Confirmation of Tailings Pond Permit
and
Grant of €4,995,378 for the El Valle Project,Spain

Toronto, Ontario, October 20, 2010 – Orvana Minerals Corp. ("Orvana" or "the Company") (TSX symbol: ORV) is pleased to announce that all substantive permits are now confirmed for the El Valle-Boinas/Carles ("EVBC") gold/copper mine in Asturias, Spain. On October 18, 2010, the Company's 100%-owned Spanish subsidiary, Kinbauri Espana S.L.U. ("Kinbauri"), received the final substantive permit, the Autorizacion Ambiental Integrada ("AAI"), to operate its tailings pond.

Orvana is also pleased to announce that Kinbauri has been notified by Spanish authorities that it will receive a grant of Euros 4.995,378 to open the EVBC project. The funds are expected to be received once the investment is complete and independent audits show evidence of the amount of the grant being expended on EVBC and that the required jobs have been created. Kinbauri expects to spend over Euros 40 million on EVBC, creating up to 250 direct jobs in Spain.
Orvana and Kinbauri wish to thank the Spanish authorities for their recognition of the substantial employment and benefit that EVBC will contribute to the Spanish economy for many years to come.
Kinbauri has already completed almost 50% of EVBC and start-up is planned for the second quarter of 2011. Orvana has been funding the EVBC project from its cash as well as the recently announced US$50 million loan from Credit Suisse. EVBC is expected to have a mine life of seven years with average annual production of 105,000 ounces of gold and 3.900 tonnes of copper. At full production, the EVBC mine will be one of the largest gold producers in Western Europe,

About Orvana

Orvana Minerals is a gold producer with a strong balance sheet and is transforming itself into a multi-mine gold and copper producer. Orvana's primary asset is the El Valle/Boinás-Carlés ("EVBC") gold-copper project in northern Spain, which is expected to be in production early in 2011. Orvana owns and operates the Don Mario gold mine in Bolivia where the company is developing the gold-copper-silver Upper Mineralized Zone ("UMZ") deposit, which is expected to be in production during the fall of 2010. In addition, Orvana is advancing its Copperwood copper project in Michigan, USA. Additional information is available at Orvana's website (www.orvana.com).

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Forward Looking Disclaimer

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

Forward-looking statements relate to, among other things, all aspects of the development of the Upper Mineralized Zone ("UMZ") deposit at the Don Mario Mine in Bolivia, the El Valle-Boinás/Carlés project in Spain and the Copperwood project in Michigan and their potential operations and production; the outcome and timing of decisions with respect to whether and how to proceed with such development and production; the timing and outcome of any such development and production; estimates of future capital expenditures; mineral resource estimates; estimates of permitting time lines; statements and information regarding future feasibility studies and their results; production forecasts; future transactions; future metal prices; the ability to achieve additional growth and geographic diversification; future production costs; future financial performance, including the ability to increase cash flow and profits; future financing requirements; and mine development plans.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Orvana as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and

assumptions of Orvana contained or incorporated by reference in this news release, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in the Company's most recently filed Annual Information Form, or as otherwise expressly incorporated herein by reference as well as: there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; permitting, development, operations, expansion and acquisitions at the UMZ deposit, El Valle-Boinás/Carlés and the Copperwood projects being consistent with the Company's current expectations; political developments in any jurisdiction in which the Company operates being consistent with its current expectations; certain price assumptions for gold, copper and silver; prices for key supplies being approximately consistent with current levels; production and cost of sales forecasts meeting expectations; the accuracy of the Company's current mineral reserve and mineral resource estimates; and labour and materials costs increasing on a basis consistent with Orvana's current expectations.

A variety of inherent risks, uncertainties and factors, many of which are beyond the Company's control, affect the operations, performance and results of the Company and its business, and could cause actual events or results to differ materially from estimated or anticipated events or results expressed or implied by forward looking statements. Some of these risks, uncertainties and factors include fluctuations in the price of gold, silver and copper; the need to recalculate estimates of resources based on actual production experience; the failure to achieve production estimates; variations in the grade of ore mined; variations in the cost of operations; the availability of qualified personnel; the Company's ability to obtain and maintain all necessary regulatory approvals and licenses; the Company's ability to use cyanide in its mining operations; risks generally associated with mineral exploration and development, including the Company's ability to develop the UMZ deposit, the Copperwood project or the El Valle-Boinás/Carlés project; the Company's ability to acquire and develop mineral properties and to successfully integrate such acquisitions; the Company's ability to obtain financing when required on terms that are acceptable to the Company; challenges to the Company's interests in its property and mineral rights; current, pending and proposed legislative or regulatory developments or changes in political, social or economic conditions in the countries in which the Company operates; general economic conditions worldwide; and the risks identified in Orvana's Management's Discussion and Analysis for the period ended September 30, 2009 under the heading "Risks and Uncertainties". This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements and reference should also be made to the Company's Annual Information Form for a description of additional risk factors.

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