ORVANA
MINERALS CORP.

ORVANA REPORTS ANNUAL RESULTS FOR FISCAL 2010

TORONTO, ONTARIO, December 13, 2010 -- Orvana Minerals Corp. (TSX symbol: ORV) announced operating results today for the year ended September 30, 2010. Dollar amounts are in U.S. dollars unless stated otherwise, and fine troy ounces of gold are referred to as "ounces". Highlights for the year are:

- Revenues of $32.3 million on sales of 28,341 ounces for the year ended September 30, 2010 compared to $56.0 million on sales of 63,230 ounces for the same period a year ago, with lower ounces of gold sold contributing to most of the decline, which was somewhat offset by higher average gold prices realized;
- Net loss of $2.4 million ($0.02 per share) for the 2010 fiscal year compared to net income of $13.4 million ($0.12 per share) for the year ended September 30, 2009;
- Cash from operations before changes in working capital was $2.5 million for fiscal 2010 compared to $22.8 million for fiscal 2009;
- Capital expenditures were $37.5 million for fiscal 2010 compared to $7.7 million for the same period last year. Expenditures included $11.1 million on the development of the Upper Mineralized Zone ("UMZ") of the Don Mario Mine, $23.0 million on the development of the El Valle-Boinás/Carlés ("EVBC") project, $3.1 million on the Copperwood project and $.3 million for systems improvements; and
- Cash and cash equivalents amounted to $12.7 million at September 30, 2010 compared to $58.0 million at September 30, 2009.

"Results for the fourth quarter and the year ended September 30, 2010, are in line with our expectations and we will continue to produce gold at our Las Tojas operation in Bolivia until early in 2011. Our focus though is on bringing the Spanish EVBC gold/copper mine and the Bolivian UMZ copper/gold/silver mine into production early in 2011. In addition we are working towards a pre-feasibility study on our Copperwood copper project in Michigan." said Roland Horst, Orvana's Chief Executive Officer.

Orvana has $12.7 million in cash and cash equivalents at year end. Subsequent to the end of the year, Orvana entered into a US$50 million five-year term corporate debt facility with Credit Suisse AG. After fully funding its capital requirements at the EVBC project and the UMZ, Orvana expects to have accumulated cash reserves from its operating free cash flows. Orvana will continue to seek gold and/or copper advanced stage properties in politically stable regions, utilizing its mining expertise to increase long-term value for shareholders.

Don Mario Mine Operations

All dollar amounts (except per unit amounts) in the remainder of this news release are in thousands of United States dollars unless otherwise stated.

The ore from the Lower Mineralized Zone ("LMZ") of the Don Mario Mine was exhausted during the last quarter of fiscal 2009 and the processing of the Las Tojas ores continued to the end of fiscal 2010. A total of 608,492 tonnes of ore were treated in fiscal 2010 compared to 331,506 tonnes a year ago as indicated in the table below:

		Year ended Sept. 30, 2010	Quarters ended				Year ended Sept. 30, 2009
			Sept. 30, 2010	June 30, 2010	March 31, 2010	Dec. 31, 2009	
Underground mine	Tonnes						153,212
	g/t						11.49
Las Tojas	Tonnes	608,492	153,459	154,270	144,587	156,176	178,294
	g/t	1.73	1.41	1.66	1.70	2.13	1.87
Total	Tonnes	608,492	153,459	154,270	144,587	156,176	331,506
	g/t	1.73	1.41	1.66	1.70	2.13	6.32
Gold recovery rate		82.2%	73.5%	79.5%	83.3%	89.0%	93.1%
Gold production - ounces		27,751	5,114	6,545	6,565	9,527	62,644

Gold production for fiscal 2010 was 56% lower, at 27,751 ounces, compared to 62,644 ounces for fiscal 2009. This decline was due to processing of the tonnages from the lower grade ore of the Las Tojas deposit. The prior year results included the production from the now depleted higher grade ore of the Don Mario underground mine.

The following table shows the cash operating costs and total production costs for years ended September 30, 2010 and 2009. The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP"). The calculations below represent non-GAAP information, which should not be construed as an alternative to GAAP reporting of operating expenses, and may not be comparable to similar measures presented by other issuers (see "non-GAAP measures" below).

	Year ended September 30, 2010		Year ended September 30, 2009	
	Costs	Cost/oz.	Costs	Cost/oz
Direct mine operating costs	$18,237	$657.15	$15,331	$244.73
Third-party smelting, refining and transportation costs	153	5.52	273	4.36
Cash operating costs	18,390	662.67	15,604	249.09
Royalties and mining rights	1,108	39.93	1,754	27.99
Mining royalty tax	2,263	81.56	3,916	62.52
Total cash costs	21,761	784.16	21,274	339.60
Depreciation, amortization and accretion	3,716	133.90	9,948	158.80
Total production costs	$25,477	$918.06	$31,222	$498.40
Gold production	27,751 ozs.		62,644 ozs.	

Cash operating costs at $662.67 per ounce were dramatically affected by the decline in gold production resulting from the transition from the LMZ to the lower grade Las Tojas deposit. These costs are not representative of the expected costs of the operation of the UMZ.

Financial Highlights

Orvana's financial highlights for the year ended September 30, 2010 compared to year ended September 30, 2009 are summarized below:

	Year ended September 30	
	2010	2009
Revenue	$32,344	$56,005
Net (loss) income	(2,431)	13,400
Net (loss) income per share – basic and diluted	($0.02)	$0.12
Cash (used) provided by operating activities	(8,644)	19,631
Cash and cash equivalents	12,700	58,036
Total assets	156,472	140,607
Long-term debt and obligations under capital leases	5,104	4,144
Shareholders' equity	$109,402	$110,367

The audited consolidated financial statements and Management's Discussion & Analysis for the period ended September 30, 2010 are available on SEDAR and at www.orvana.com.

Outlook

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

Orvana's focus is to use its cash resources and mining capability to build long-term value for its shareholders through organic growth and future strategic acquisitions of advanced-stage gold and/or copper properties.

In the short term, Orvana is focused on commencing production at both the EVBC gold/copper project in northern Spain and its Don Mario UMZ copper/gold operation in eastern Bolivia, as well as, advancing its Copperwood copper project in Michigan.

With the start up of operations at EVBC and the UMZ expected to occur in early 2011, Orvana expects annualized gold production to increase from about 28,000 ounces to approximately 120,000 ounces, early in 2012. Additionally, annualized copper and silver production are expected to increase substantially to over 12,000 tonnes and to 750,000 ounces respectively.

Over the longer term, Orvana will continue to seek gold and/or copper advanced stage properties in politically stable regions, utilizing our mining expertise to increase long-term value for shareholders.

The Company will hold a conference call on Tuesday December 14, 2010 at 10:00 a.m. (Eastern Time) to discuss the annual results. Following the presentation there will be a question and answer period for analysts and investors.

The conference call can be accessed at 1-416-695-7806 or the North American toll-free number at 1-888-789-9572, using the passcode 8416682 followed by the number sign.

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 owns and operates the copper-gold Don Mario Mine in Bolivia and is bringing into production the El Valle-Boinás/Carlés gold-copper project in northern Spain and advancing the 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, 2010 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.

Non-GAAP Measures

The Company has used Non-GAAP measures, including direct mine operating costs, cash operating costs, total cash costs and total production costs, and related unit cost information, because it understands that certain investors use this information to determine the Company's ability to generate earnings as cash flow for use in investing and other activities. The Company believes that conventional measures of performance prepared in accordance with GAAP do not fully illustrate the ability of its operating mine to generate cash flow. Non-GAAP measures do not have any standardized meaning prescribed under Canadian GAAP, should not be construed as an alternative to GAAP reporting of operating expenses, and may not be comparable to similar measures presented by other companies. The measures are not necessarily indicative of cost of sales as determined under Canadian GAAP. Cash costs are determined in accordance with the former Gold Institute's Production Cost Standard. For a reconciliation of the non-GAAP costs and unit costs provided above with the Company's GAAP-based statement of operations, please see the Company's Management's Discussion & Analysis for the period ended September 30, 2010.