

# ORVANA

MINERALS CORP.

## ORVANA ANNOUNCES FEASIBILITY STUDY RESULTS FOR COPPERWOOD PROJECT, UPPER PENINSULA, MICHIGAN, USA

**Toronto, Ontario, February 7, 2012** – Orvana Minerals Corp. (“The Company”) (TSX:ORV), through its wholly-owned subsidiary, Orvana Resources US Corp (“Orvana USA”), announces today the highlights of their 43-101-compliant Feasibility Study for the Copperwood copper project, Upper Peninsula, Michigan, USA. The study presents a 13-year underground operation that applies conventional drill-and-blast methods and room-and-pillar mining. The fully-diluted mineable reserves are 23.14 million short tons of 1.46% copper and 3.98 g/t silver proven and 7.09 million short tons of 1.21% copper and 2.44 g/t silver probable, for a total of 30.2 million short tons of 1.41% copper (852 million pounds) and 3.63 g/t silver. The table below is a summary of the financial results.

<b>Summary of Key Financial Parameters (Drill-and-Blast Case)</b>					
	Copper Price (US\$)/Silver Price (US\$)				
	2.50 / 17.50	2.75 / 20.00	3.00 / 22.50	3.25 / 25.00	3.50 / 27.50
NPV(8), (000's)	30,799	104,365	177,587	246,905	313,079
IRR (After Tax)	11.0%	17.2%	22.8%	27.9%	32.6%
Payback, yrs	6.2	5.2	4.6	4.2	3.8

Note: Property tax liabilities are not included since no assessment has been completed

“The results of this feasibility study demonstrate the viability of this copper project,” said Jim Jacques, VP Operations of the Company and General Manager of Copperwood. “A review of the mine plan resulted in redesign of entries and pillar dimensions to allow for a higher percentage of extraction on advance and a lower percentage of pillar recovery on retreat. The redesign of the mine plan reduces dilution, improves grade, and results in a higher percentage of resource being mined.”

The plan calls for the development of a ramp and box cut to access the ore bed. All development will be focused on the ore bed and virtually no waste rock will be handled. Production for the 13-year mine life will be about 1.5 million short tons of copper concentrate averaging about 28,000 short tons of copper concentrate per year at the 7,500 short tons of ore per day capacity. Copper will be extracted by conventional flotation. Life-of-mine direct operating cash costs are \$1.26 per pound net of the silver credit.

Base-case operational parameters for the drill-and-blast option with 12.5% pillar recovery are as follows:

Minable Reserve:	30,228,000 short tons
Copper grade:	1.41%

Silver grade:	3.63 g/t
Throughput:	2,625,000 short tons/year (reached after 3years)
Avg. Annual Production (LOM):	28,000 short tons per year Cu 150,000 ounces per year Ag

Copper recovery:	86%
Copper concentrate grade:	24%
Silver grade in concentrate:	40.4 g/t (average)

Key financial input parameters are (all values in US dollars):

Pre-production capital (including contingencies):	\$213,520,000
Working & sustaining capital (LOM):	\$167,104,000
Mine operating cost (LOM)	\$14.91 per short ton ore
Processing cost (at 7,500 short tons per day):	\$13.27 per short ton ore
G&A:	\$ 1.25 per short ton ore

A net smelter return royalty, which will be determined quarterly, ranges from 2% to 4% on a sliding scale based on inflation-adjusted copper prices.

A review of the various aspects of the operation not only improved the mine plan, but the proposed Tailings Disposal Facility, associated water management and water treatment as well in order to optimize water conservation.

Reviews of the Michigan Non-Ferrous Mining and Reclamation, or Part 632, the Wetlands Fill, the Waste-water Discharge, and Air Discharge permit applications are in progress. All of the permits are to be granted by the Michigan Department of Environmental Quality. A recommendation from the Director of the Office of the Geological Survey regarding the Part 632 permit is expected in the very near future.

Copperwood is a stratiform copper deposit hosted by the shales and siltstones of the lowermost Nonesuch Formation along the shallow-dipping southern limb of the westward-plunging Western Syncline. Copper occurs as very fine-grained chalcocite. Orvana has options to lease mineral rights on the other stratiform copper deposits within the Western Syncline that include 43-101-compliant indicated resources of 25.0 million metric tonnes of 1.40% copper (771 million pounds) and inferred resources of 36.1 million metric tonnes of 1.30% copper (1,033 million pounds) (see 14 December 2010 press release).

The information presented herein was completed by or under the supervision of Joseph M. Keane, P.E., Steve Milne, P.E., and David List P.E., Independent Qualified Persons for the purposes of NI 43-101. A summary report will be made available on the Company's website, [www.orvana.com](http://www.orvana.com), and on SEDAR, [www.sedar.com](http://www.sedar.com) within 45 days.

## About Orvana

Orvana 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 currently in operation. Orvana also operates the Don Mario mine in Bolivia, which is in the commissioning stage and is exploiting the copper-gold-silver Upper Mineralized Zone ("UMZ") deposit. Orvana is also advancing its Copperwood copper project in Michigan, USA. Additional information is available at Orvana's website ([www.orvana.com](http://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.