ORVANA
MINERALS CORP.

Orvana Reports Results for the Third Quarter with Adjusted Earnings of $0.03/share and Appoints New Chief Operating Officer

Toronto, Ontario, August 13, 2012 - Orvana Minerals Corp. (TSX symbol: ORV) (the "Company") announced today financial and operating results for the third quarter ended June 30, 2012 ("Q3 2012").

The Company reported adjusted net income for Q3 2012 of $0.03 per share not including the unrealized gain from the revaluation of the Company's derivative instruments and the tax effect thereof.

The unaudited consolidated interim financial statements for the three and nine months ended June 30, 2012 ("Q3 2012 FS") and Management's Discussion & Analysis related thereto ("Q3 2012 MD&A") are available on SEDAR and at www.orvana.com.

Dollar amounts (other than per ounce/pound and per share amounts) are in thousands of U.S. dollars unless stated otherwise, and fine troy ounces of gold and silver are referred to as "ounces".

Q3 2012 Highlights

- Production of 18,344 ounces of gold, 5.1 million pounds of copper and 248,908 ounces of silver and sales of 16,842 ounces of gold, 5.5 million pounds of copper and 284,440 ounces of silver from the Company's El Valle-Boinás/Carlés Mine in Spain (the "EVBC Mine") and the Company's Don Mario Upper Mineralized Zone Mine in Bolivia (the "UMZ Mine"), both of which were not in commercial production during the prior year third quarter.
- Consolidated net revenue of $43,691 compared to $1,752 in the third quarter of fiscal 2011.
- Net income of $12,118 and adjusted net income of $3,611 compared to a net loss of $6,304 and an adjusted net loss of $6,764 in the third quarter of fiscal 2011, respectively. (1)
- Net cash flows provided by operating activities of $12,336 compared to net cash flows used in operating activities of $4,496 in the third quarter of fiscal 2011 and net cash flows provided by operating activities before changes in non-cash working capital of $10,929 compared to net cash flows used in operating activities of $1,610 in the same period in 2011. (1)
- Cash and cash equivalents at June 30, 2012 of $11,094 and short-term restricted cash of $14,626.
- For EVBC Mine, total cash costs, net of by-product revenues, of $806 per gold ounce sold for the third quarter of 2012. (2)
- For the UMZ Mine, total cash costs, on a co-product basis, of $2.35 per pound of copper sold, $1,119 per ounce of gold sold and $21.20 per ounce of silver sold for the third quarter of 2012. (3)
- Executive management changes with the appointment of Daniella Dimitrov as Chief Financial Officer of the Company and Mauricio Peró as Executive Vice President of

Empresa Minera Paititi, the Company's wholly-owned Bolivian subsidiary that operates the UMZ Mine, effective June 1, 2012.

The Company is also announcing the appointment of Jim Jacques as Chief Operating Officer of the Company, Francisco Fimbres as Director General and Jim Watt as Director of Operations at the EVBC Mine.

"Both the EVBC and UMZ operations achieved increased production and revenue during Q3 2012 and the Copperwood permitting process advanced well," said Bill Williams, President and Chief Executive Officer. "We are pleased with our financial and operating performance and are confident that operations will continue to improve during the quarters ahead especially as the EVBC shaft becomes operational and recoveries improve at the UMZ Mine."

Overall Performance

The Company's operating and financial performance for Q3 2012 and the three months ended June 30, 2011 ("Q3 2011") as well as the nine months ended June 30, 2012 ("YTD 2012") and June 30, 2011 ("YTD 2011"), respectively, are summarized in the table below:

	Q3 2012	**Q3 2011**	**YTD 2012**	**YTD 2011**
Operating Performance				
Gold				
Production (oz)	**18,344**	-	**40,773**	9,894
Sales (oz)	**16,842**	1,297	**36,448**	10,659
Average realized price/oz [(1)]	**$1,614**	$1,351	**$1,655**	$1,361
Copper				
Production ('000 lbs)	**5,080**	-	**11,307**	-
Sales ('000 lbs)	**5,454**	-	**9,471**	-
Average realized price/lb [(1)]	**$3.37**	-	**$3.56**	-
Silver				
Production (oz)	**248,908**	-	**439,199**	-
Sales (oz)	**284,440**	-	**380,358**	-
Average realized price/oz [(1)]	**$27.07**	-	**$28.18**	-
Financial Performance				
Revenue	**$43,691**	$1,752	**$90,309**	$14,509
Cost of sales	**$32,660**	$1,738	**$69,895**	$12,160
Gross margin	**$11,031**	$14	**$20,414**	$2,349
Derivatives gain (loss)	**$10,621**	$656	**($8,602)**	($30,750)
Net income (loss)	**$12,118**	($6,304)	**($346)**	($29,343)
Net income (loss) per share (basic and diluted)	**$0.09**	($0.05)	**$0.00**	($0.25)
Adjusted net income (loss)	**$3,611**	($6,764)	**$3,149**	($7,818)
Adjusted net income (loss) per share (basic and diluted)	**$0.03**	($0.06)	**$0.02**	($0.07)
Operating cash flows	**$12,336**	($4,496)	**$12,088**	($12,714)
Operating cash flows before non-cash working capital Changes	**$10,929**	($1,610)	**$18,823**	($1,046)
Ending cash and cash equivalents	**$11,094**	$16,896	**$11,094**	$16,896
Short-Term Restricted cash	**$14,626**	-	**$14,626**	-
Capital expenditures [(2)]	**$8,377**	$20,286	**$25,146**	$44,871

(1) Realized metal prices are calculated by dividing gross revenue recorded for the period, before deduction of treatment and refinement charges of $9,577, by ounces of gold or silver or pounds of copper sold during the period.

(2) Capital expenditures for the nine months ended June 30, 2012 recorded in Q3 2012 FS are $18,764. This includes capital expenditures for the UMZ Mine for the nine months ended June 30, 2012 of $806 adjusted by

a decrease of $6,382 for a total net decrease of $5,576 due to adjustments in the second and third quarters of fiscal 2012 for (i) costs that were initially capitalized but subsequently reclassified as inventory of $4,860, (ii) costs that were initially capitalized, but subsequently reclassified as cost of sales of $904, and (iii) revenue from production sold prior to reaching commercial production.

Operations

EVBC Mine, Spain

Operating and financial performance data for the EVBC Mine for Q3 2012 and YTD 2012 is set out below. The EVBC Mine was not in commercial production during the third quarter of fiscal 2011 having only reached commercial production in August 2011. Accordingly, comparative 2011 information is not provided.

	Q3 2012	**YTD 2012**
Operating Performance		
Ore mined (tonnes)	**161,115**	429,568
Ore milled (tonnes)	**150,711**	401,255
Gold		
Grade (g/t)	**3.09**	2.72
Recovery (%)	**93.4**	92.2
Production (oz)	**13,983**	32,399
Sales (oz)	**11,358**	29,380
Copper		
Grade (%)	**0.51**	0.42
Recovery (%)	**86.5**	84.3
Production ('000 lbs)	**1,468**	3,151
Sales ('000 lbs)	**934**	2,710
Silver		
Grade (g/t)	**10.43**	9.39
Recovery (%)	**78.4**	76.2
Production (oz)	**39,621**	92,395
Sales (oz)	**36,465**	77,101
Total cash costs (by-product) ($/oz of gold sold)	**$806**	$916
Financial Performance		
Revenue	**$20,845**	$56,521
Cost of sales	**$16,394**	$42,243
Derivatives (gain) loss	**($10,621)**	$8,602
Income (loss) before-tax	**$15,100**	$3,455
Adjusted income (loss) before-tax	**$2,948**	$8,447
Capital expenditures	**$7,507**	$21,075

The developments in both the Carles and Boinás mines are progressing well. The new lower area in the Carles Mine (-100 metre) started production during Q3 2012. In the Boinás Mine, the development and production from the higher grade San Martín area are ongoing. Head grades from both mines are improving. The shaft is in the process of being commissioned.

UMZ Mine, Bolivia

Operating and financial performance data for the UMZ Mine for Q3 2012 and YTD 2012 is set out below. The UMZ Mine was not in commercial production during the third quarter of fiscal 2011, having only reached commercial production in January 2012. Accordingly, comparative 2011 information is not provided.

	Q3 2012	**YTD 2012**

	LPF/ Oxides	Flotation/ Transition	Total	LPF/ Oxides	Flotation/ Transition	Total
Operating Performance						
Ore mined (tonnes)	**169,542**	**173,908**	**343,450**	501,772	339,545	841,318
Ore milled (tonnes)	**49,559**	**130,363**	**179,923**	230,192	172,137	402,330
Gold						
Grade (g/t)	**1.71**	**2.00**	**1.92**	1.72	2.01	1.84
Recovery (%)	**41.6**	**38.4**	**39.2**	32.6	38.0	35.1
Production (oz)	**1,134**	**3,227**	**4,361**	4,151	4,223	8,374
Sales (oz)	**2,023**	**3,461**	**5,484**	3,607	3,461	7,068
Copper						
Grade (%)	**2.31**	**1.65**	**1.83**	1.93	1.66	1.82
Recovery (%)	**61.1**	**43.6**	**49.7**	55.7	42.7	50.6
Production ('000 lbs)	**1,545**	**2,066**	**3,612**	5,460	2,696	8,156
Sales ('000 lbs)	**2,287**	**2,233**	**4,520**	4,527	2,233	6,760
Silver						
Grade (g/t)	**68.92**	**94.67**	**87.58**	76.22	94.39	83.99
Recovery (%)	**32.9**	**43.6**	**41.3**	22.8	41.8	31.9
Production (oz)	**36,091**	**173,196**	**209,287**	128,511	218,293	346,804
Sales (oz)	**62,079**	**185,896**	**247,975**	117,361	185,896	303,257
Total cash costs (co-product) ($/lb) copper			**2.35**			3.18
Total cash costs (co-product) ($/oz) gold			**1,119**			1,030
Total cash costs (co-product) ($/oz) silver			**21.20**			18.99
Financial Performance						
Revenue			**$22,846**			$33,788
Cost of sales			**$16,266**			$27,652
Net Income (loss) before-tax			**$6,315**			$4,944
Capital expenditures [(1)]			**$232**			$806

(1) Capital expenditures for the nine months ended June 30, 2012 recorded in Q3 2012 FS are $18,764. This includes capital expenditures for the UMZ Mine for the nine months ended June 30, 2012 of $806 adjusted by a decrease of $6,382 for a total net decrease of $5,576 due to adjustments in the second and third quarters of fiscal 2012 for (i) costs that were initially capitalized but subsequently reclassified as inventory of $4,860, (ii) costs that were initially capitalized, but subsequently reclassified as cost of sales of $904, and (iii) revenue from production sold prior to reaching commercial production.

During Q3 2012, the UMZ Mine produced a high-lead copper concentrate, an oxide cement and a talc-rich precious-metals concentrate. All three concentrate products are contracted for sale into the third quarter of fiscal 2013. In order to meet the requirements of such contracts, the Company plans to process oxide ore through the LPF circuit for approximately 15 days followed by approximately 45 days of flotation-only processing of transition ore at throughputs of approximately 1,500 and 2,700 tonnes per day, respectively, at 90% availability. There were two LPF-process campaigns during the third quarter of fiscal 2012 of 18 days and 16 days.

Copperwood Project, Michigan

Operating information for Orvana's Copperwood copper Project located in Michigan, United States, for Q3 2012 is set out below.

- In April 2012, Orvana received its mining permit from the Michigan Department of Environmental Quality ("MDEQ") as prescribed by Part 632 of the Non-Ferrous Metallic Mining regulation of the State of Michigan. This permit is the key stage gate for bringing the Copperwood Project into operation and indicates that the State of Michigan considers the project to have met all the necessary criteria to operate a mine in a responsible manner.

- In June 2012, the Wetlands Permit (Clean Water Act Section 404 Permit), the waste-water discharge permit, or National Pollutant Discharge Elimination Systems permit applications were the subject of a public hearing.
- In July 2012, the Company received the Permit to Install or Air Quality Permit from the Michigan Department of Environmental Quality, Air Quality Division.
- Total capital expenditures in respect of the Copperwood Project during the third quarter were $628 for a total of $3,245 for the nine months ended June 30, 2012.
- Orvana is continuing to investigate a variety of financing options, including the sale of an equity interest, debt and/or equity financing in order to bring the Copperwood Project into production.

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 short-term focus is operational optimization at the EVBC Mine and the UMZ Mine to generate increasing operating cash flows to pay down debt as well as advance the development of the Copperwood Project. Fiscal 2012 production guidance is 64,500 ounces of gold, 16.53 million pounds of copper and 625,000 ounces of silver. Mostly due to the delays related to the commissioning of the EVBC shaft, guidance for gold production is now expected to be approximately 60,000 ounces. However, due to exceptional performance at the UMZ Mine, guidance for silver is now nearly 700,000 ounces. Guidance for copper remains unchanged.

Fiscal 2012 total EVBC Mine production is targeted at 47,500 ounces (32,399 ounces to June 30, 2012), copper production at 4.41 million pounds (3.15 million pounds to June 30, 2012) and silver production at 125,000 ounces (92,395 ounces to June 30, 2012). Mine life is now projected at 10 years. Beyond 2012, Orvana will continue to work on improving head grade, increasing gold production and reducing total cash costs (by-product) per ounce of gold. Completion of the shaft will allow for more efficient ore extraction resulting in improved flexibility, increased mine production and cost optimization. Orvana will also investigate alternatives to maximize the mill output and enhance recoveries.

Fiscal 2012 total UMZ Mine production is targeted at 12.12 million pounds of copper (8.16 million pounds to June 30, 2012), 12,500 ounces of gold (8,374 ounces to June 30, 2012) and 575,000 ounces of silver (346,804 ounces to June 30, 2012). During the remainder of fiscal 2012, the Company's focus at the UMZ Mine will be on improving recoveries for both the LPF and flotation-only processes.

The Copperwood permit-review process will continue into the fourth quarter of fiscal 2012. Orvana will continue to investigate a variety of financing options, including the sale of an equity interest, debt and/or equity financing in order to bring the Copperwood Project into production.

Orvana's long-term focus is to utilize future cash flow and mining capabilities to build long-term value for its shareholders specifically through organic growth and possibly through certain strategic acquisitions primarily focused on advanced-stage gold and/or copper properties.

Executive Management Changes

Jim Jacques, Vice President of Operations, was promoted to Chief Operating Officer replacing Agne Ahlenius, who resigned, effective August 1. Jim Watt, an engineer with more than 40 years of primarily underground mining experience, has been retained as EVBC Director of

Operations. On October 1, Francisco Fimbres, a metallurgist with over 30 years of experience, will assume the position of Director General, Kinbauri Espana S.L.U., a wholly-owned subsidiary of the Company that holds the rights at EVBC; he replaces Mr. Ahlenius in that role.

"Jim Jacques has contributed greatly to the turnaround of the Company and is well positioned to lead the production optimization effort at the highest of safety standards," said Bill Williams, President and Chief Executive Officer. "The combination of Messrs. Fimbres and Watt at EVBC will provide the expertise and leadership in order to expedite the optimization efforts at EVBC. We thank Mr. Ahlenius for his efforts in getting the EVBC Mine into commercial production and the shaft commissioned, and wish him success in his new role in the industry."

Notes:

(1) Adjusted net income (loss), adjusted net income (loss) per share and cash-flows from operating activities before changes in non-cash working capital are non-IFRS performance measures. Adjusted net income (loss) after-tax excludes unrealized gains/losses recognized as a result of the revaluation of Orvana's outstanding financial instruments at the end of the period as well as the deferred income tax impact relating thereto. For further information and a detailed reconciliation, please see the "Other Information - Non-IFRS Measures" section of the Company's Q3 2012 MD&A.

(2) Starting in Q3 2012, the Company is reporting Total Cash Costs (by-product) per gold ounce sold rather than per gold ounce produced for the periods presented in order to conform its presentation of unit costs for the EVBC Mine with other gold producers. Total Cash Costs (by-product) per gold ounce is a non-IFRS performance measure with no standard definition under IFRS. For further information regarding the calculation and IFRS reconciliation, please see the "Other Information - Non-IFRS Measures" section of the Company's Q3 2012 MD&A.

(3) In the second quarter of fiscal 2012, the Company reported C1 cash costs of $1.66 per pound of copper produced net of by-product revenues using the cash cost model developed by Brook Hunt & Associates. As a result of gross revenue from sales of gold and silver representing 40% or more of total gross revenue from the UMZ Mine in a reporting period and for better costs comparisons to other mines, starting in Q3 2012 the Company is reporting total cash costs (co-product) per pound of copper and per ounce of gold and silver sold for the periods presented. These are non-IFRS performance measures with no standard definition under IFRS. For further information regarding the calculation and IFRS reconciliation, please see the "Other Information - Non-IFRS Measures" section of the Company's Q3 2012 MD&A.

The Company will hold a conference call on Tuesday August 14, 2012 at 10:00 a.m. (Eastern Time) to discuss the fiscal 2012 third quarter 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 pass code 7100 584 followed by the number sign.

About Orvana

Orvana Minerals is a multi-mine gold and copper producer. Orvana's primary asset is the El Valle-Boinás/Carlés gold-copper Mine in northern Spain. Orvana also owns and operates the Don Mario Mine in Bolivia, processing its copper-gold-silver Upper Mineralized Zone deposit. Orvana is also 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 Mine 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 Mine and the Copperwood project 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

Mine; 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 June 30, 2012 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.