ORVANA
MINERALS CORP.

NEWS RELEASE

For Immediate Release **TSX:ORV**
Date: December 9, 2014

Orvana Reports Record Gold and Copper Production, Balance Sheet Significantly Strengthened and Fiscal 2014 Results

Dollar amounts are in thousands of U.S. dollars unless stated otherwise.

TORONTO, ONTARIO, December 9, 2014, Orvana Minerals Corp. (TSX:ORV) (the "Company" or "Orvana"), announced today financial and operating results for the fourth quarter ("Q4 2014") and the fiscal year ended September 30, 2014 ("fiscal 2014"). The Company reported record production of gold and copper from its El Valle-Boinás and Carlés underground mines ("EVBC") located in northern Spain and from its Don Mario open pit mine located in Bolivia.

The Company reported adjusted net income of $1.8 million for fiscal 2014 compared with $12.5 million for fiscal 2013. The decrease was mainly due to lower revenue from decreased commodity prices.

The Audited Consolidated Financial Statement for fiscal 2014 ("2014 Financials") and Management's Discussion & Analysis related thereto ("2014 MD&A") are available on SEDAR and at www.orvana.com.

A conference call is scheduled for Wednesday, December 10, 2014 at 9:00 a.m. EST to discuss the Company's year end and fourth quarter financial and operational results. Details of the call may be found on the Company's website and at the end of this press release.

Orvana has continued to improve operating performance, upgrade its assets, streamline its asset base and significantly strengthen its balance sheet to deliver shareholder value. In furthering its strategy, the Company reports the following achievements:

- **Improved operating performance and asset upgrades**
  - Management has focused on operational optimization in 2014 across all business areas, which has led to more efficient operations, higher-grade production and the achievement of fiscal 2014 production guidance. This has resulted in an increase of 4% in gold and 22% in copper production compared with fiscal 2013.
  - Year-over-year mining costs at the Don Mario Mine have been reduced by 23% and production has increased by 45% in gold and 45% in copper.
  - EVBC continued a focus on the optimization of head grade implemented in the second half of fiscal 2014 resulting in an escalating average gold grade processed through the EVBC plant. In the second half of fiscal 2014, the average gold grade through the mill was 3.89 grams per tonne compared with 2.71 grams per tonne in the first half of fiscal 2014, an increase of 44%.
  - Capital expenditures have decreased by approximately 29% in fiscal 2014 compared with fiscal 2013. Asset upgrades include hoisting capacity at EVBC and the gold gravity concentrators at the Don Mario Mine.
  - The focus on improved execution and grade optimization has contributed to stronger EVBC operating results in recent months, with gold production of 33,529 ounces in the second half of fiscal 2014 compared with 29,428 ounces produced in the first half of fiscal 2014, an increase of 14%.
- **Streamlined asset base**
  - Completion of the sale of the Copperwood project in Michigan, as it was a non-core asset outside of Orvana's principal jurisdictions of Europe and Latin America, for up to $25.0 million. Orvana received cash on closing of $13.0 million and a secured promissory note for $7.0 million expected to be paid in December 2014. The additional consideration of up to $5.0 million will be paid in cash or shares of Highland, at Orvana's option, upon occurrence of certain events.

- **Focus on the balance sheet**
  - Continued decrease in outstanding debt balances in fiscal 2014 by 57% including the repayment of $31.8 million in principal and interest of long-term debt in respect of EVBC (the "EVBC Loan"). Orvana completed the repayment of the $63.8 million EVBC Loan with final payment of $12.6 million on November 10, 2014, two years ahead of schedule, saving approximately $1.4 million in interest costs.
  - Full repayment of an outstanding short-term debt of $6.5 million in June 2014 from the Copperwood sale proceeds.

The following are certain operating and financial highlights achieved in fiscal 2014 and in the fourth quarter of fiscal 2014.

2014 Annual Operating and Financial Highlights

- Fiscal 2014 production guidance met with production from EVBC and the Don Mario Mine of 84,084 ounces of gold and 21.1 million pounds (9,551 tonnes) of copper, an increase of 4% in gold and 22% in copper production compared with fiscal 2013, and 890,339 ounces of silver. (1)
- Gold equivalent production of 149,090 ounces. (2)
- Sales of 79,858 ounces of gold, 18.9 million pounds (8,589 tonnes) of copper and 833,594 ounces of silver in fiscal 2014, an increase in gold and copper of 8% and 16%, respectively, and a decrease in silver sales of 22% compared with fiscal 2013.
- Cash operating costs ("COC") and all-in sustaining costs ("AISC") on a by-product basis (net of copper, silver and lead by-product revenue from EVBC and the Don Mario Mine) per ounce of gold sold in fiscal 2014 of $771 and $1,015, respectively, compared with COC and AISC (by-product) of $631 and $950, respectively, in fiscal 2013 (3). Costs were managed well in 2014 but unit costs on a by-product basis were negatively impacted by foreign exchange and decreases in by-product metal prices. (3)
- Cash flows provided by operating activities of $34.7 million in fiscal 2014 compared with $32.6 million in fiscal 2013 and cash flows provided by operating activities before changes in non-cash working capital of $37.9 million in fiscal 2014 compared with $38.9 million in fiscal 2013. This includes cash from realized gains on settlement of the outstanding derivative instruments. (4)
- Net revenue of $142.4 million for fiscal 2014 compared with $162.2 million for fiscal 2013, a decrease of 12% impacted by falling metal prices.
- Net loss of $29.7 million for fiscal 2014 compared with net income of $32.6 million for fiscal 2013.
- Adjusted net income of $1.8 million for fiscal 2014 compared with $12.5 million for fiscal 2013. (4)
- Non-cash impairment charge of $25.5 million relating to the EVBC Mines as a result of updated mineral resources and reserves estimates for EVBC showing a year-over-year decrease in reserves and resources. The Company also received an updated life-of-mine plan using proven and probable mineral reserves reflecting a shortened mine life based on these updated reserves.
- Impairment charge of $3.7 million relating to the Don Mario Mine oxides inventory.
- Carlés Mine to be placed on care and maintenance in the second quarter of fiscal 2015 to optimize production at the Boinás Mine and focus on producing only profitable ounces.
- Capital expenditures of $14.9 million for fiscal 2014, a decrease of 29% from fiscal 2013.
- Working capital of $19.9 million at September 30, 2014 compared with $10.3 million at September 30, 2013.
- Re-commissioned and upgraded the hoist at the Boinás Mine at the start of third quarter of fiscal 2014.

- Commissioned gold gravity concentrators to the processing circuit at the Don Mario Mine towards the end of the second quarter, contributing to increased gold production in the second half of fiscal 2014.
- Appointment of Neil Ringdahl as Chief Operating Officer in June 2014.

Q4 2014 Operating and Financial Highlights

- Production of 24,163 ounces of gold, 6.5 million pounds (2,951 tonnes) of copper and 148,394 ounces of silver (or 41,739 gold equivalent ounces), an increase in gold and copper production of 9% and 44%, respectively, and a decrease in silver production of 49% compared with the fourth quarter of fiscal 2013. (1) (2)
- Sales of 25,338 ounces of gold, 6.3 million pounds of copper and 236,051 ounces of silver, an increase in gold and copper sales of 18% and 43%, respectively, and a decrease in silver sales of 25% compared with the fourth quarter of fiscal 2013.
- Net revenue of $44.0 million in the fourth quarter of both fiscal 2014 and 2013. Higher sales volumes of gold and copper in the fourth quarter of fiscal 2014 were offset by lower average realized prices.
- Mining costs of $29.8 million, or 16% higher, compared with the fourth quarter of fiscal 2013 primarily due to higher sales volume of gold and copper.
- Net loss of $2.9 million compared with net income of $1.2 million in the fourth quarter of fiscal 2013 and adjusted net income of $2.8 million compared with adjusted net income of $7.8 million in the fourth quarter of fiscal 2013.
- Cash flows provided by operating activities from continuing operations of $18.8 million compared with $7.7 million in the fourth quarter of fiscal 2013 and cash flows provided by operating activities before changes in non-cash working capital of $16.9 million compared with $15.4 million in the fourth quarter of fiscal 2013. (4)
- Capital expenditures of $0.5 million compared with $3.9 million for the fourth quarter of fiscal 2013.
- COC and AISC on a by-product basis (net of copper, silver and lead by-product revenue from EVBC and the Don Mario Mine) per ounce of gold sold in the fourth quarter of fiscal 2014 of $699 and $855, respectively, compared with COC and AISC (by-product) of $493 and $751, respectively, in the fourth quarter of fiscal 2013. (3)

(1) For a description of the EVBC Mines and the Don Mario Mine, please see the “Overall Performance - EVBC Mines” and “Overall Performance - Don Mario Mine” section of the 2014 MD&A.

(2) Gold equivalent ounces include copper and silver ounces produced and converted to a gold equivalent based on a ratio of the average market price for the commodities for each period.

(3) The Company, in conjunction with initiatives undertaken within the gold mining industry, adopted COC and AISC and all-in costs (“AIC”) which are non-IFRS performance measures as set out in the guidance note released by the World Gold Council in June 2013. The Company believes these performance measures more fully define the total costs associated with its metal production, however, these performance measures have no standardized meaning. Accordingly, they are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Company reports these measures on a metals volumes sold basis. For further information and a detailed reconciliation of these performance measures, please see the “Other Information - Non-IFRS Measures” section of the 2014 MD&A.

(4) Adjusted net income (loss), cash flows from operating activities before changes in non-cash working capital and AISC are non-IFRS performance measures with no standard definition under IFRS. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, the Company and certain investors use this information to evaluate the Company’s performance including the Company’s ability to generate cash flows from its mining operations. Accordingly, it is intended to provide additional information and should not be considered in isolation or as substitutes for measures of performance prepared in accordance with IFRS. For further information and a detailed reconciliation, please see the “Other Information - Non-IFRS Measures” section of the 2014 MD&A.

Overall Performance

The following table includes consolidated operating and financial performance data for the Company for the periods set out below:

	Q3 2014	Q4 2014	Q4 2013	FY 2014	FY 2013	FY2012
Operating Performance (1)						
Gold						
Production (oz)	21,532	**24,163**	22,250	**84,084**	80,541	55,929
Sales (oz) (2)	18,790	**25,338**	21,462	**79,858**	74,087	55,052
Average realized price / oz (2)	$1,293	**$1,283**	$1,329	**$1,287**	$1,504	$1,659
Copper						
Production ('000 lbs)	4,785	**6,505**	4,509	**21,056**	17,304	15,366
Sales ('000 lbs) (2)	4,724	**6,317**	4,427	**18,935**	16,312	14,730
Average realized price / lb (2)	$3.05	**$3.16**	$3.20	**$3.15**	$3.33	$3.54
Silver						
Production (oz)	211,459	**148,394**	289,335	**890,339**	1,017,811	716,280
Sales (oz) (2)	217,988	**236,051**	314,011	**833,594**	1,073,394	669,810
Average realized price / oz (2)	$19.52	**$20.01**	$21.05	**$20.15**	$25.01	$29.43
Financial Performance						
(in 000's, except per share amounts)						
Revenue (3)	$34,064	**$43,998**	$43,975	**$142,407**	$162,199	$145,574
Mining costs (4)	$24,506	**$29,798**	$25,643	**$102,231**	$101,063	$88,231
Impairment charge	$29,228	**$-**	($150)	**$29,228**	$6,273	$-
(Loss) gain from discontinued operations	$135	**($20)**	($136)	**($886)**	($215)	$-
Gross margin	($27,150)	**$4,855**	$12,303	**($19,960)**	$30,998	$42,326
Derivative instruments (loss) gain	($3,786)	**($496)**	($9,853)	**$1,859**	$42,140	$26,095
Net (loss) income	($25,902)	**($2,896)**	$1,174	**($29,743)**	$32,623	($2,353)
Net (loss) income per share (basic/diluted)	($0.19)	**($0.02)**	$0.01	**($0.22)**	$0.24	($0.02)
Adjusted net (loss) income (5)	$941	**$2,766**	$7,814	**$1,779**	$12,499	$15,474
Adjusted net (loss) income per share (basic/diluted) (5)	$0.01	**$0.02**	$0.06	**$0.01**	$0.09	$0.11
Operating cash flows before non-cash working capital changes (5)	$8,912	**$16,906**	$15,401	**$37,923**	$38,900	$33,276
Operating cash flows (6)	$8,750	**$18,861**	$7,769	**$35,382**	$32,879	$41,705
Ending cash and cash equivalents	$11,029	**$16,545**	$13,039	**$16,545**	$13,039	$13,200
Restricted cash (including long-term)	$17,457	**$11,735**	$17,839	**$11,735**	$17,839	$18,399
Capital expenditures (7)	$6,571	**$477**	$3,892	**$14,925**	$21,157	$37,718
Cash operating costs ($/oz) gold (by-product) (8)	$779	**$699**	$493	**$771**	$631	$629
All-in sustaining costs ($/oz) gold (by-product) (8)	$976	**$855**	$751	**$1,015**	$950	$1,383
All-in costs ($/oz) gold (by-product) (8)	$1,045	**$859**	$751	**$1,075**	$970	$1,386

(1) Metals production and sales are from the EVBC Mines and the Don Mario Mine.

(2) Sales volumes represented in the table above includes volume adjustments relating to final settlement of prior period sales. Average realized metal prices are calculated by dividing gross revenue recorded for the period from metals sales, before deduction of treatment and refinement charges and deductions for payable metals, by ounces of gold or silver or pounds of copper actually sold during the period. Sales volumes used to calculate average realized metal prices and unit cash costs do not include volume adjustments relating to final settlement of prior period sales.

(3) Revenue represents (i) gross revenue derived from the sales of metals in the applicable period less treatment, refining, penalties and payable metals deductions associated with such sales, (ii) plus or minus realized final payment amounts relating to metals sold in prior periods, (iii) plus or minus mark-to-market adjustments based on unrealized price fluctuations at period end relating to metals sold in the current or prior reporting periods prior to receipt of final payment for such sales.

(4) Mining costs represents all costs associated with the production of the metals sold in the period including personnel costs; energy cost (principally diesel fuel and electricity); maintenance and repair costs; operating supplies; external services; costs associated with delivery of the concentrate and doré to the point of sale; an allocation of site general and administrative costs; royalties and, in respect of the Don Mario Mine, mining royalty taxes payable to the Bolivian government.

(5) Adjusted net income (loss), adjusted net income (loss) per share and operating cash flows before non-cash working capital changes are non-IFRS performance measures with no standard definition under IFRS. For further information and a detailed reconciliation, please see the "Other Information - Non-IFRS Measures" section of the 2014 MD&A.

(6) Operating cash flows is cash provided by operating activities from continuing operations.

(7) These amounts are presented in the consolidated cash flows in the Audited Financials on a cash basis. Each reported period excludes capital expenditures incurred in the period which will be paid in subsequent periods and includes capital expenditures incurred in prior periods and paid for in the applicable reporting period. See "Cash Flows, Commitments and Liquidity - Capital Expenditures" section of the 2014 MD&A.

(8) COC, AISC and AISC (by-product) are presented on a by-product basis, net of copper, silver and lead by-product revenue from EVBC and the Don Mario Mine and on a per ounce of gold sold basis. For further information and a detailed reconciliation of these performance measures, please see the "Other Information - Non-IFRS Measures" section of the 2014 MD&A.

Outlook

In fiscal 2015, Orvana will continue to focus on achieving its increased production guidance, improving operating performance as well investigating optimization opportunities in order to further reduce cash costs. The Company plans to make further investments in the growth of its business. This includes the increase of its EVBC reserves and resource estimates through the potential to upgrade inferred mineral resources to mineral reserves and the potential to identify new resources at EVBC and surrounding areas. To date, while lower cash flows from operations and significant debt repayments limited exploration spending in fiscal 2014, certain fieldwork, permitting procedures and drilling was undertaken during fiscal 2014 and will be ramped up in fiscal 2015.

Diamond drill exploration started at La Brueva property, located eight kilometers from the Boinás Mine, in September 2014. This property was previously mined by the Romans and has a mineralized zone intersected by a few historic diamond holes. An additional 20,000 metres of exploration and reserve definition/infill drilling is planned in and around EVBC in fiscal 2015.

During fiscal 2014, the Company completed a review of its opportunities to increase its resource estimates at Don Mario Mine through the potential to identify new mineral resources in the surrounding area that previously had some geochemical, trenching and drilling results indicating gold mineralization. During the first quarter of fiscal 2014 drilling targets were reviewed and an exploration-drilling plan was prepared. Drilling commenced mid-2014 and continued throughout the year. Although gold mineralization has been encountered, to date, there are no new defined resources. In fiscal 2015, exploration drilling will concentrate around mineralized zones north-west and south-east of the current open pit. Optimization studies will also be carried out to determine the potential of open pit mining of a pushback that would include the crown pillar area of the former lower mineralized zone mined by the Company as an underground mine until 2009 as well as other mineralized areas at higher elevation. The reduction in total mining costs by 23% in fiscal 2014 compared to 2013, with the elimination of the LPF processing, will facilitate these future mine optimization and potential extension opportunities.

The repayment of debt now puts Orvana in a positive free cash flow generation position, even at current metals prices and including the planned investments into the business, and provides greater strength to Orvana's balance sheet.

The following table sets out Orvana's fiscal 2015 production guidance:

	FY2014 Guidance	FY2014 Production	FY2015 Guidance
EVBC Mines			
Gold (oz)	60,000 - 65,000(1)	**62,957**	63,000 - 72,000
Copper (million lbs)	5.5 - 6.0(1)	**5.6**	6.0 - 7.0
Silver (oz)	160,000 - 180,000(1)	**156,977**	150,000 - 180,000
Don Mario Mine			
Gold (oz)	20,000 - 21,000(1)	**21,127**	19,000 - 22,000
Copper (million lbs)	13.5 - 15.0(1)	**15.4**	14.0 - 16.0
Silver (oz)	680,000 - 720,000(2)	**733,362**	400,000 - 500,000
Total			
Gold (oz)	80,000 - 86,000(1)	**84,084**	82,000 - 94,000
Copper (million lbs)	19.0 - 21.0(1)	**21.1**	20.0 - 23.0
Silver (oz)	840,000 - 900,000(2)	**890,339**	550,000 - 680,000

(1) Revised in the second quarter of fiscal 2014.

(2) Revised in the third quarter of fiscal 2014.

Orvana has initiated a comprehensive review of the strategy of the Company and its assets, given the strengthened balance sheet and debt free status. The Company is considering a number of possible outcomes for Orvana and its shareholders that may include organic growth, asset transactions or a corporate transaction.

Conference Call

Orvana's conference call is scheduled for Wednesday, December 10, 2014 at 9:00 a.m. EST. The conference call can be accessed in Canada and USA at 1-800-319-4610. Outside of Canada and USA please call +1-604-638-5340. The audio of the conference call will be available for playback and review on the Orvana website at www.orvana.com.

About Orvana

Orvana Minerals is a multi-mine gold and copper producer. Orvana's operating assets consist of the producing EVBC gold-copper mines in northern Spain and the producing gold-copper-silver Don Mario Mine in Bolivia. 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.

The forward-looking statements herein relate to, among other things, Orvana's ability to achieve improvement in free cash flow; the potential to extend the mine life of each of Orvana's mines beyond the life of mine estimate therefor; Orvana's ability to optimize its assets to deliver shareholder value; Orvana's ability to optimize production; the Company's ability to emerge stronger from the turnaround work executed at EVBC in 2014; estimates of future production, operating costs and capital expenditures; mineral resource and reserve estimates; statements and information regarding future feasibility studies and their results; future transactions; future metal prices; the ability to achieve additional growth and geographic diversification; 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 Management's Discussion & Analysis and Annual Information Form in respect of the Company's most recently completed fiscal year (the "Company Disclosures"), 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 EVBC and Don Mario Mines 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; variations in the costs associated with the suspension of mining at Carlés; 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 continue to operate the EVBC Mines *and/or the Don Mario 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; the Company's ability to execute on its strategy; 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 the Company Disclosures 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 Disclosures 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.

Cautionary Notes to Investors - Reserve and Resource Estimates

In accordance with applicable Canadian securities regulatory requirements, all mineral reserve and mineral resource estimates of the Company disclosed in this news release have been prepared as at September 30, 2014 in accordance with Canadian National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum's "CIM Standards on Mineral Resources and Reserves Definitions and Guidelines" (the "CIM Guidelines").

Pursuant to the CIM Guidelines, mineral resources have a higher degree of uncertainty than mineral Reserves as to their existence as well as their economic and legal feasibility. Inferred mineral resources, when compared with measured or indicated mineral resources, have the least certainty as to their existence, and it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration. Pursuant to NI 43-101, inferred mineral resources may not form the basis of any economic analysis, including any feasibility study. Accordingly, readers are cautioned not to assume that all or any part of a mineral resource exists, will ever be converted into a mineral Reserve, or is or will ever be economically or legally mineable or recovered.