

ORVANA MINERALS CORP.

**NOTICE OF
ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON FEBRUARY 11, 2008**

AND

MANAGEMENT INFORMATION CIRCULAR

ORVANA MINERALS CORP.

**Notice of Annual and Special Meeting of Shareholders
to be held on February 11, 2008**

Notice is hereby given that the annual and special meeting of the holders of common shares of Orvana Minerals Corp. (the "Company") will be held at TSX Broadcast Centre, The Exchange Tower, 130 King Street West, Toronto, Ontario on Monday, February 11, 2008 at 4:00 p.m. (Toronto time) for the following purposes:

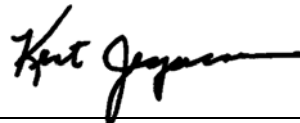
- (a) to receive the Company's comparative audited consolidated financial statements as at and for the fiscal year ended September 30, 2007 and the auditors' report thereon, a copy of which is enclosed herewith;
- (b) to elect directors of the Company to hold office until the close of the next annual meeting of shareholders;
- (c) to appoint PricewaterhouseCoopers LLP as the Company's auditors for the ensuing year and to authorize the board of directors to fix their remuneration;
- (d) to confirm certain amendments to By-Law B-1 of the Company that were adopted by the board of directors on December 19, 2007; and
- (e) to transact such other business as may properly come before the meeting or any adjournment thereof.

The specific details of the foregoing matters to be put before the meeting are set forth in the Management Information Circular accompanying this Notice of Meeting.

Shareholders are invited to attend the meeting. Registered shareholders who are unable to attend the meeting in person are requested to complete, date and sign the enclosed form of proxy and send it in the enclosed envelope or otherwise to the Secretary of the Company c/o Equity Transfer & Trust Company, Proxy Dept., 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1. Non-registered shareholders who receive these materials through their broker or other intermediary should complete and send the form of proxy in accordance with the instructions provided by their broker or intermediary. To be effective, a proxy must be received by Equity Transfer Services Inc., not later than 4:00 p.m. (Toronto time) on February 7, 2008, or in the case of any adjournment of the meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment.

DATED as of the 7th day of January, 2008.

By order of the board of directors



Name: C. Kent Jespersen
Title: Chairman

ORVANA MINERALS CORP.

Management Information Circular for the Annual and Special Meeting of Shareholders to be held on February 11, 2008

PROXIES

Solicitation of Proxies

This Management Information Circular (the “Circular”) is provided in connection with the solicitation, by or on behalf of the management of Orvana Minerals Corp. (the “Company”), of proxies to be used at the Company’s annual and special meeting of the holders of common shares (the “Common Shares”) to be held on February 11, 2008 (the “Meeting”) or at any adjournment thereof. It is expected that the solicitation will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers or employees of the Company without special compensation, or by the Company’s transfer agent, Equity Transfer Services Inc., at nominal cost. The cost of solicitation will be borne by the Company.

Appointment of Proxyholder

The persons designated by management of the Company in the enclosed form of proxy are directors of the Company. **Each shareholder has the right to appoint as proxyholder a person (who need not be a shareholder of the Company) other than the persons designated by management of the Company in the enclosed form of proxy to attend and act on the shareholder’s behalf at the Meeting or at any adjournment thereof.** Such right may be exercised by inserting the name of the person in the blank space provided in the enclosed form of proxy or by completing another proper form of proxy.

In the case of *registered shareholders*, the completed, dated and signed form of proxy should be sent in the enclosed envelope or otherwise to the Secretary of the Company c/o Equity Transfer & Trust Company, Proxy Dept., 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1, fax number (416) 361-0470 (within North America). In the case of *non-registered shareholders* who receive these materials through their broker or other intermediary, the shareholder should complete and send the form of proxy in accordance with the instructions provided by their broker or other intermediary. To be effective, a proxy must be received by Equity Transfer Services Inc. not later than 4:00 p.m. (Toronto time) on February 7, 2008, or in the case of any adjournment of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment.

Revocation of Proxy

A shareholder who has given a proxy may revoke it by depositing an instrument in writing signed by the shareholder or by the shareholder’s attorney, who is authorized in writing, or by transmitting, by telephonic or electronic means, a revocation signed by electronic signature by the shareholder or by the shareholder’s attorney, who is authorized in writing, to or at the registered office of the Company c/o Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 2800, Toronto, Ontario, M5L 1A9 at any time up to and including the last business day preceding the day of the Meeting, or in the case of any adjournment of the Meeting, the last business day preceding the day of the adjournment, or with the Chair of the Meeting on the day of, and prior to the start of, the Meeting or any adjournment thereof. A shareholder may also revoke a proxy in any other manner permitted by law.

Voting of Proxies

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the persons designated by management of the Company in the enclosed form of proxy will be voted or withheld from voting in accordance with the instructions given on the proxy, and if the shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Meeting, and with respect to other matters which may properly come before the Meeting or any adjournment thereof. As of the date of this Circular, management of the Company is not aware of any such amendment, variation or other matter to come before the Meeting. However, if any amendments or variations to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment thereof, the Common Shares represented by properly executed proxies given in favour of the persons designated by management of the Company in the enclosed form of proxy will be voted on such matters pursuant to such discretionary authority.

Beneficial Shareholders

The information set forth in this section is of importance to many shareholders of the Company, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who do not hold their Common Shares in their own name (i.e. non-registered or beneficial shareholders) should note that only proxies deposited by shareholders whose names appear on the records of the Company as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases, those Common Shares will not be registered in the shareholder's name on the records of the Company. Such Common Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for CDS Clearing and Depository Services Inc., which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can be voted (for or against resolutions) only upon the instructions of the beneficial shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting Common Shares for the broker's clients. Therefore, beneficial shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.

Applicable securities legislation requires intermediaries/brokers to seek voting instructions from beneficial shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by beneficial shareholders in order to ensure that their Common Shares are voted at the Meeting. The majority of brokers delegate responsibility for obtaining instructions from clients to ADP Investor Communications Corporation ("ADP"). ADP typically uses its own form of proxy, mails those forms to the beneficial shareholders and asks beneficial shareholders to return the proxy forms to ADP. ADP then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the Meeting. A beneficial shareholder receiving a proxy from ADP cannot use that proxy to vote Common Shares directly at the Meeting – the proxy must be returned to ADP well in advance of the Meeting in order to have the Common Shares voted.

Although a beneficial shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his broker (or an agent of the broker), a beneficial

shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. Beneficial shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

VOTING SHARES

Voting Shares

As at December 31, 2007, the Company had 115,233,173 Common Shares outstanding, each carrying the right to one vote per share. A simple majority of the votes cast at the Meeting, whether in person, by proxy or otherwise, will constitute approval of the matters that are to be submitted to a vote at the Meeting.

Record Date

The Company's board of directors (the "board of directors" or the "Board") has fixed January 10, 2008 as the record date for the Meeting. Any holder of Common Shares of record at the close of business on the record date is entitled to vote the Common Shares registered in such shareholder's name at that date on each matter to be acted upon at the Meeting.

Principal Shareholders

To the knowledge of the directors and senior officers of the Company, as at December 31, 2007 no person beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the voting rights attached to the outstanding Common Shares of the Company except as stated below.

<u>Name</u>	<u>Aggregate Number of Common Shares</u>	<u>Percentage of Outstanding Common Shares</u>
Fabulosa Mines Limited ¹	60,445,028	52.5%
Sprott Asset Management Inc.	14,202,450	12.3%

Note:

1. Fabulosa Mines Limited has certain rights to receive additional Common Shares, at no additional cost, upon the exercise by other persons of options of the Company that were outstanding on January 11, 2002.

The Company and certain of its subsidiaries entered into an agreement with Sinchi Wayra S.A. ("Sinchi Wayra", formerly Compania Minera del Sur S.A.) dated September 12, 2001, as amended (the "Definitive Agreement"). Under the terms of the Definitive Agreement, on January 11, 2002 (the "Share Purchase Closing Date"), Sinchi Wayra invested US\$4.0 million in return for the issuance by the Company to Sinchi Wayra of 52,995,143 Common Shares, together with the right to receive additional Common Shares, at no additional cost, on a one-for-one basis for each Common Share issued by the Company either (i) as a result of the exercise of warrants, options or other convertible securities of the Company outstanding on the Share Purchase Closing Date or (ii) in settlement of liabilities and obligations owed by the Company on the Share Purchase Closing Date, up to a maximum of 29,154,190 additional Common Shares. In addition, on January 11, 2002, 668,219 Common Shares of the Company

were issued to Sinchi Wayra in settlement of a loan advanced by Sinchi Wayra to the Company under an interim financing arrangement.

Prior to March of 2005, Sinchi Wayra was an indirect subsidiary of Minera S.A. As part of a corporate reorganization in connection with the sale by Minera S.A. of the parent company of Sinchi Wayra, all of the Common Shares held by Sinchi Wayra, together with a debenture of the Company in the amount of US\$92,488, were transferred to Fabulosa Mines Limited (“Fabulosa”), a wholly-owned subsidiary of Minera S.A. In addition, Sinchi Wayra assigned to Fabulosa its rights and obligations under the Definitive Agreement, including in connection with an asset purchase loan made by Sinchi Wayra to the Company. As a result of such transfer and of subsequent issuances of Common Shares to Fabulosa pursuant to the right described above, Fabulosa held 60,445,028 Common Shares as at December 31, 2007, representing 52.5% of the outstanding Common Shares.

Under the Definitive Agreement, Fabulosa has a pre-emptive right with respect to the issuance of additional Common Shares or securities convertible into Common Shares to other persons, entitling Fabulosa to acquire Common Shares or convertible securities on the same terms and conditions as those so issued by the Company, subject to applicable requirements of the Toronto Stock Exchange. Fabulosa is also entitled to receive Common Shares in certain circumstances in the event that it is entitled to indemnification for a breach of a representation or warranty in the Definitive Agreement.

MATTERS TO BE ACTED UPON AT THE MEETING

Election of Directors

The board of directors has fixed the number of directors to be elected at the Meeting at seven. Under the by-laws of the Company, directors of the Company are elected annually. Each director will hold office until the next annual meeting or until the successor of such director is duly elected or appointed, unless such office is earlier vacated in accordance with the by-laws.

The board of directors recommends a vote “for” the election of each of its proposed nominees to serve on the Company’s board of directors until the next annual meeting of shareholders. **In the absence of a contrary instruction, the persons designated by management of the Company in the enclosed form of proxy intend to vote FOR the election as directors of the proposed nominees whose names are set forth below, each of whom has been a director since the date indicated below opposite the proposed nominee’s name.** Management does not contemplate that any of the proposed nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the Common Shares represented by properly executed proxies given in favour of such nominee(s) may be voted by the persons designated by management of the Company in the enclosed form of proxy, in their discretion, in favour of another nominee.

The following table sets forth information with respect to each person proposed to be nominated for election as a director, including the number of Common Shares of the Company beneficially owned, directly or indirectly, or over which control or direction was exercised, by such person or the person’s associates or affiliates as at December 31, 2007. The table also sets forth the employment history for the last five years for those nominees who have become directors of the Company since the last annual meeting of shareholders of the Company, being Enrique Herrera Soria, C. Kent Jespersen, J. Robert Logan and Robert Mitchell. Information as to Common Shares beneficially owned or over which control or direction is exercised and as to employment history, not being within the knowledge of the Company, has been furnished by the respective proposed nominees.

Name, Province/State and Country of Residence	Principal Occupation	Director Since	Common Shares Beneficially Owned
Dr. Peter Bradshaw ^{1,2} British Columbia, Canada	President and Chief Executive Officer of First Point Minerals Corp., a mining company, since June 1996.	May 2006	43,200
Enrique Herrera Soria ^{1,2} Lima, Peru	Managing Director of Aluz Clean Energy PLC, a clean energy developer, since August 2007; and Chief Executive Officer of Empresa Electrica Valle Hermoso S.A., a utility company, from December 2002.	April 2007	Nil
C. Kent Jespersen ³ Alberta, Canada	Chairman of the Company since December 2007; and Chairman and Chief Executive Officer of La Jolla Resources International, a business advisory and investment company, since July 1998.	December 2007	60,000
Carlos Mirabal Santa Cruz, Bolivia	President and Chief Executive Officer of the Company since October 2006.	October 2006	Nil
J. Robert Logan ^{2,4} Arizona, USA	Private investor since June 2006; prior to that, Managing Director, Fixed Income Capital Markets, at Citigroup, a financial services company since 1992.	December 2007	25,000
J. Christopher Mitchell ^{1,2,4} British Columbia, Canada	Chief Financial Officer of GeoBiotics LLC, a minerals biotechnology company, since September 2006, and, since July 2003, President and Director of Adera Company Management Inc., a firm providing financial and management services to junior exploration companies.	January 2004	134,227
Robert A. Mitchell, C.A. ⁴ Ontario, Canada	Corporate director since October 2001; prior to that, Partner, Ernst & Young LLP, a public accounting firm.	April 2007 and from December 2003 to June 2006	15,000

Notes:

1. Member of the Compensation, Nominating and Corporate Governance Committee.
2. Member of the Business Development Committee.
3. Chairman of the Board of Directors.
4. Member of the Audit Committee.

Appointment of Auditors

The auditor of the Company is currently PricewaterhouseCoopers LLP of Toronto, Canada (“PwC Canada”). At the Meeting, holders of Common Shares will be requested to re-appoint PwC Canada as the Company’s independent auditors to hold office until the next annual meeting of shareholders or until a successor is appointed, and to authorize the board of directors to fix the auditors’ remuneration. PwC Canada has been the auditor of the Company since September 2004.

The board of directors recommends a vote “for” the re-appointment of PwC Canada as independent auditors for the Company until the next annual meeting of shareholders or until a successor is appointed and the authorization of the board of directors to fix the auditors’ remuneration. **Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR the appointment of PwC Canada as the auditor of the Company until the close of the next annual meeting of the shareholders of the Company, or until its successor is appointed, and the authorization of the board of directors of the Company to fix the remuneration of the auditor of the Company.**

Amendment of By-Law

As a result of recent amendments to the *Business Corporations Act* (Ontario) (the “OBCA”), the board of directors approved on December 19, 2007 certain amendments to By-Law B-1 of the Company to ensure that the Company’s by-laws conform to the OBCA, as amended. While these amendments were effective from the date of their approval by the board of directors, they remain subject to confirmation by the Company’s shareholders.

The following is a summary of the by-law amendments:

- The amended by-law requires that 25% of the Company’s directors be residents of Canada. Prior to its amendment, the by-law required that a majority of the directors be residents of Canada. The amendments also eliminate the director residency requirement that applied under the former by-law with respect to committees of the board of directors, transacting business at directors’ meetings and the appointment of a managing director.
- The requirement that any director who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Company must disclose to the Company the nature and extent of such interest has been amended to provide also that the director must disclose to the Company any material change in any such interest. The requirement that any such director not vote on any resolution to approve any such matter, except as permitted under certain limited exceptions provided for in the OBCA, has been amended to provide also that any such director shall not attend any part of a meeting of directors during which the contract or transaction in question is discussed. If no quorum exists for the purpose of voting on a resolution to approve any such contract or transaction only because a director is not permitted to be present as a result of having an interest in such contract or transaction, the remaining directors shall be deemed to constitute a quorum for the purpose of voting on such matter. In the event that all of the directors have an interest in a contract or transaction, the contract or transaction may only be approved by the shareholders.
- Prior to its amendment, the by-law provided that the Company would indemnify any person who acted at the Company’s request as a director or officer of any corporation of which the Company was a shareholder or creditor. The amended by-law expands the scope of the

Company's indemnification obligation to include where such a person acts as a director or officer, or in another similar capacity, of any entity at the Company's request, whether or not the entity is a corporation and without regard to whether the Company is a shareholder or creditor of such entity. In addition, the scope of indemnifiable events has been expanded to include, in addition to civil, criminal and administrative proceedings, investigative and other proceedings in which the person becomes involved due to their association with any such corporation or other entity. The amended by-law also permits a Company to advance moneys to a director, officer or other individual for the costs of any such proceeding, provided that the money shall be repaid if the individual is determined not to be eligible for indemnification.

- The amended by-law restricts shareholders' rights to vote their Common Shares at a meeting to only those shareholders who are registered holders of Common Shares as of the date on which a list of shareholders entitled to vote at the meeting is prepared by the Company. No longer will a person who has received Common Shares as a result of a share transfer after any such date be able to vote those Common Shares at the meeting in respect of which such list has been prepared. Prior to amendment, the by-law provided that a record date could be set no more than 50 and not less than 21 days prior to the date of a shareholder meeting. This has been amended to provide that the record date may be established not more than 60 and not less than 30 days prior to the date of a meeting.

The full text of the amended sections of By-Law B-1 of the Company is set out in Schedule "A" to this Circular.

The board of directors recommends a vote "for" confirmation of the amendments to By-Law B-1 of the Company that were adopted by the board of directors on December 19, 2007. **Unless authority to do so is withheld, the persons named in the enclosed form of proxy intend to vote FOR confirmation of the amendments to By-Law B-1 of the Company that were adopted by the board of directors on December 19, 2007.**

Other Matters

The Company knows of no other matters to be submitted to the shareholders at the Meeting. If any other matters properly come before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares they represent in accordance with their judgement on such matters.

EXECUTIVE COMPENSATION

Under applicable securities legislation, the Company is required to include in this Circular certain information concerning the compensation earned from the Company and any of the Company's subsidiaries during the fiscal periods ended September 30, 2007, 2006 and 2005 by the Company's Chief Executive Officer and its Chief Financial Officer (regardless of the amount of compensation of those individuals) and each of the Company's other three most highly compensated executive officers whose total salary and bonus exceeded \$150,000 (collectively, the "Named Executive Officers").

Between December 2000 and April 2005, the Company did not have any salaried employees. For a period that included the portion of the 2005 fiscal year from October 1, 2004 to April 4, 2005, all management services were provided to the Company's wholly-owned subsidiary, Empresa Minera Paititi S.A. ("EMIPA"), by Sinchi Wayra personnel, including Jaime Urjel, who was then the Company's President and Chief Executive Officer, and Jorge Szasz, who was then the Company's Chief Financial

Officer. Such services were provided under an agreement pursuant to which Sinchi Wayra provided managerial, technical and commercial support to EMIPA in exchange for annual fees totalling US\$420,000 as well as reimbursement of certain out-of-pocket costs. This agreement was terminated effective September 30, 2005.

Effective April 4, 2005, Sean Harvey was appointed President and Chief Executive Officer of the Company, replacing Jaime Urjel. Also during the fiscal year ended September 30, 2005, the Company hired the following senior officers with effect from the dates noted in brackets after their names: Michael Hodgson as Vice President, Technical Services (June 15, 2005); Eduardo Rosselot as Vice President, Business Development and Special Projects (May 15, 2005); and Malcolm King as Vice President and Controller (June 1, 2005). As Messrs. Hodgson, Rosselot and King each received less than \$150,000 in salary and bonuses from the Company and its subsidiaries in the fiscal period ended September 30, 2005, they were not Named Executive Officers during that period. Accordingly, the Named Executive Officers for the fiscal year ended September 30, 2005 are Mr. Harvey (who was the President and Chief Executive Officer and an employee of the Company), Mr. Urjel (who was the President and Chief Executive Officer until April 4, 2005 but not an employee of the Company), and Jorge Szasz (who was the Chief Financial Officer throughout the 2005 fiscal year but not an employee of the Company).

Mr. Harvey resigned as President and Chief Executive Officer of the Company effective May 31, 2006. From June 1, 2006 to September 30, 2006, Malcolm King served as the Company's interim President and Chief Executive Officer. Effective October 1, 2006, Carlos Mirabal was appointed President and Chief Executive Officer of the Company, replacing Malcolm King. Also during the fiscal year ended September 30, 2006, Mr. King was appointed Chief Financial Officer of the Company effective February 14, 2006. The executive officers of the Company other than the Chief Executive Officer and its Chief Financial Officer whose total salary and bonus compensation received from the Company and its subsidiaries in the fiscal year ended September 30, 2006 exceeded \$150,000 were Michael Hodgson, the Company's former Vice President and Chief Operating Officer, and Eduardo Rosselot, the Company's former Vice President, Business Development and Special Projects. Accordingly, the Named Executive Officers of the Company for the fiscal year ended September 30, 2006 are Mr. King (who is the Chief Financial Officer of the Company and who acted as the Company's President and Chief Executive Officer from June 1, 2006 to September 30, 2006), Mr. Harvey (who was the President and Chief Executive Officer prior to his resignation effective May 31, 2006), Mr. Hodgson and Mr. Rosselot.

During the fiscal year ended September 30, 2007, Carlos Mirabal served as the Company's President and Chief Executive Officer and Malcolm King served as the Company's Chief Financial Officer. Mr. Hodgson and Mr. Rosselot served as, respectively, Vice-President and Chief Operating Officer and Vice-President, Business Development and Special Projects for a portion of the 2007 fiscal year until their resignations effective December 4, 2006.

Summary Compensation Table

The following table sets forth information concerning the compensation earned from the Company and any of the Company's subsidiaries during the financial years ended September 30, 2007, 2006 and 2005 by the Company's Named Executive Officers:

Name and Principal Position	Year	Annual Compensation			Long Term Compensation Awards	All Other Compensation (\$)
		Salary (\$)	Bonus (\$, except where noted)	Other Annual Compensation (\$)	Securities Under Options/SARs Granted (#)	
Carlos Mirabal ¹ President and Chief Executive Officer	2007	225,000	150,000	4,617	300,000	Nil
	2006	Nil	Nil	Nil	Nil	Nil
	2005	Nil	US\$125,000	Nil	125,000	Nil
Malcolm King ² Chief Financial Officer and interim President and Chief Executive Officer	2007	200,000	125,000	9,950	50,000	Nil
	2006	183,333	100,000	13,533	150,000	Nil
T. Sean Harvey ³ President and Chief Executive Officer	2006	204,167	Nil	17,006	Nil	650,000
	2005	150,000	Nil	15,000	1,000,000	Nil
Michael Hodgson ⁴ Vice President and Chief Operating Officer	2007	40,974	Nil	Nil	Nil	178,750
	2006	235,000	Nil	17,345	Nil	Nil
Eduardo Rosselot ⁴ Vice President, Business Development and Special Projects	2007	37,487	Nil	2,417	Nil	163,750
	2006	215,000	Nil	7,983	Nil	Nil
Jaime Urjel ⁵ President and Chief Executive Officer	2005	Nil	US\$150,000	Nil	175,000	Nil
Jorge Szasz ⁵ Chief Financial Officer	2005	Nil	US\$125,000	Nil	125,000	Nil

Notes:

- Mr. Mirabal was appointed President and Chief Executive Officer of the Company effective October 1, 2006. During the 2005 fiscal year, Mr. Mirabal was granted 125,000 options in connection with his services under a management services agreement between the Company and Sinchi Wayra.
- Mr. King was appointed Vice President and Chief Financial Officer of the Company on February 14, 2006 and interim President and Chief Executive Officer of the Company effective June 1, 2006, with the result that he was employed as President and Chief Executive Officer for four months during the 2006 fiscal year.
- Mr. Harvey was appointed President and Chief Executive Officer of the Company effective April 4, 2005 and held that position until May 31, 2006, with the result that he was employed as President and Chief Executive Officer for eight months during the 2006 fiscal year and for five months and 27 days during the 2005 fiscal year. The

amount paid to Mr. Harvey in the 2006 fiscal year that is disclosed under the heading “All Other Compensation” was paid pursuant to Mr. Harvey’s severance entitlements.

4. Mr. Hodgson and Mr. Rosselot resigned from their respective positions effective December 4, 2006, with the result that they were employed for two months and three days during the 2007 fiscal year. Amounts paid to each of Messrs. Hodgson and Rosselot in the 2007 fiscal year that are disclosed under the heading “All Other Compensation” were paid in settlement of their respective severance entitlements.

5. Mr. Urjel and Mr. Szasz were employees of Sinchi Wayra, which provided management services to a subsidiary of the Company during the 2005 fiscal year, as described above.

Equity Compensation Plan Information

The following table sets out certain information as at September 30, 2007 regarding the Company’s 1996 Stock Option Plan and 2006 Stock Option Plan and the options issued thereunder as well as inducement options issued outside of these shareholder-approved plans.

Equity Compensation Plan Information

Plan Category	Number of Common Shares to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted – Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Common Shares Remaining Available for Future Issuance Under Equity Compensation Plans (excluding Common Shares reflected in column (a)) (c)
Equity Compensation Plans Approved by Shareholders	2,510,000	\$1.01	3,490,000 ¹
Equity Compensation Plans Not Approved by Shareholders	866,666	\$1.00	--
Total	3,376,666	--	3,490,000

Note:

- Following shareholder approval of the adoption of the 2006 Option Plan at the Company’s 2005 Annual and Special Meeting of Shareholders, no further options have been, or will be, granted under the 1996 Stock Option Plan.

Stock Options

The following table sets out information concerning grants of options to purchase or acquire Common Shares during the financial year ended September 30, 2007 to the Named Executive Officers.

Option Grants During the Most Recently Completed Financial Year

Name	Common Shares Under Options Granted (#)	Percent of Total Options Granted to Employees in Financial Year	Exercise Price (\$/Share)	Market Value of Common Shares Underlying Options on the Date of Grant (\$/Share)	Expiration Date
Carlos Mirabal	300,000	86%	\$0.60	\$0.60	December 13, 2011
Malcolm King	50,000	14%	\$0.60	\$0.60	December 13, 2011

The following table sets out information concerning the exercise of options by the Named Executive Officers during the financial year ended September 30, 2007 and the value of unexercised options held by the Named Executive Officers as at September 30, 2007.

Aggregated Option Exercises During the Most Recently Completed Financial Year and Financial Year-End Option Values

Name	Common Shares Acquired on Exercise (#)	Aggregate Value Realized (\$)	Number of Unexercised Options at September 30, 2007		Value of Unexercised in-the-Money Options at September 30, 2007	
			Exercisable (#)	Unexercisable (#)	Exercisable (\$)	Unexercisable (\$)
Carlos Mirabal	Nil	Nil	225,000	200,000	\$41,000	\$82,000
Malcolm King	Nil	Nil	416,667	83,333	\$21,833	\$19,667
Michael Hodgson	Nil	Nil	300,000	Nil	\$3,000	Nil
Eduardo Rosselot	Nil	Nil	266,667	Nil	\$2,667	Nil

Named Executive Officer Employment Agreements

The only employment agreements entered into between the Company or any of its subsidiaries and any of the Named Executive Officers which were in existence as at September 30, 2007 are the employment agreement between EMIPA, a wholly-owned subsidiary of the Company, and Carlos Mirabal, the Company's President and Chief Executive Officer; and the agreement between the Company and Malcolm King, the Company's Vice President and Chief Financial Officer.

Effective October 1, 2006, Mr. Carlos Mirabal was appointed President and Chief Executive Officer of the Company. An employment agreement was entered into as of October 1, 2006 between Mr. Mirabal and EMIPA, the terms of which provide Mr. Mirabal with an annual base salary of \$225,000 over a three-year term ending on September 30, 2009. In addition, under the terms of the agreement, during fiscal 2007, EMIPA made bonus payments to Mr. Mirabal in the aggregate amount of \$150,000. The bonus amount was paid in two instalments of \$75,000, the first on entering into the agreement and the second following the completion of Mr. Mirabal's first full year of employment under the agreement on

September 30, 2007. During the remaining term of the agreement, Mr. Mirabal's bonus, if any, shall be an amount (not to exceed 50% of his annual salary) determined by the Company following Mr. Mirabal's annual performance review. In the event of the termination of Mr. Mirabal's employment by the Company without cause, he shall be entitled to receive a payment equal to three month's salary, based on his then current annual compensation. In the event that Mr. Mirabal's employment is terminated by the Company with cause, no amount shall be owing to Mr. Mirabal other than compensation earned, and reimbursable expenses incurred, prior to the date of termination.

The following is a summary of the principal terms of the employment agreement dated as of June 1, 2005 between the Company and Mr. Malcolm King, the Company's Vice President and Chief Financial Officer. The terms of the agreement provided Mr. King with an annual base salary of \$175,000 for the 12-month period ended May 31, 2006. Thereafter, the amount of Mr. King's base salary is to be determined annually by the Company's Compensation, Nominating and Corporate Governance Committee. Effective June 1, 2006, Mr. King's annual base salary was amended to \$200,000. The agreement provides that the amount of Mr. King's annual bonus compensation, if any, is to be determined by the Company's Compensation, Nominating and Corporate Governance Committee following Mr. King's annual performance review. During fiscal 2006, Mr. King was awarded a bonus of \$100,000 in respect of fiscal 2006 and, during fiscal 2007, Mr. King was awarded a bonus of \$125,000 in respect of fiscal 2007. Mr. King is also entitled to certain health, dental, term life insurance and other benefits under the employment agreement. In the event that Mr. King's employment is terminated by the Company without cause or Mr. King terminates his employment within six months following either a change of control of the Company or an event constituting good reason under the terms of the employment agreement, the Company will be required to pay him an amount equal to 18 months' base salary. In the event that Mr. King's employment is terminated by the Company with cause, no amount shall be owing to Mr. King other than compensation and benefits earned, and reimbursable expenses incurred, prior to the date of termination. In the event that Mr. King is unable to perform his duties as Vice President and Chief Financial Officer of the Company for 180 days out of any consecutive 12-month period, the Company may choose to terminate his employment. In the event of such a termination, the Company will be required to pay Mr. King an amount equal to six months' base salary.

Composition of the Compensation, Nominating and Corporate Governance Committee

The Compensation, Nominating and Corporate Governance Committee is comprised of Dr. Peter Bradshaw (Chairman), Enrique Herrera Soria and J. Christopher Mitchell, each of whom is an independent director of the Company. The current members of the committee were appointed on April 5, 2007 following the resignation on that date of each of the committee's prior members, being Peter Stein and Ignacio Foncillas Garcia de la Mata, from their positions as directors of the Company. No executive officer of the Company has served on the board of directors or compensation committee of any other entity that has or has had one or more of its executive officers serving as a member of the Company's board of directors or Compensation, Nominating and Corporate Governance Committee.

Report on Executive Compensation

Compensation Philosophy

The Compensation, Nominating and Corporate Governance Committee is responsible for making recommendations to the Company's board of directors with respect to the compensation of the executive officers of the Company.

The objective of the Compensation, Nominating and Corporate Governance Committee with respect to compensation for executive officers is to ensure that compensation packages are designed

and implemented to align compensation with both short-term and long-term key corporate objectives and employee performance and to ensure that the Company is able to attract and retain skilled and experienced executives.

Changes in Management During the Fiscal Year

On October 1, 2006, Mr. Carlos Mirabal was appointed President and Chief Executive Officer. Messrs. Michael Hodgson, the Company's former Vice President and Chief Operating Officer, and Eduardo Rosselot, the Company's former Vice President, Business Development and Special Projects, resigned from their respective positions with the Company effective December 4, 2006.

Components of Executive Compensation

The Company's compensation program for its executive officers currently consists of three components: salary, bonus and stock options. The Company does not have a pension plan. Bonus awards are currently at the discretion of the Compensation, Nominating and Corporate Governance Committee following a review of each executive's performance and taking into consideration the Company's financial performance for the year. Going forward, it is intended that the Company will tie bonus awards to achieving pre-determined milestones in terms of the Company's economic performance, growth in assets and ore reserves, and increasing shareholder value.

Executive officers' compensation packages are designed to take into consideration the experience, responsibility and expected performance of each individual and to ensure that the compensation packages are consistent with what was being paid for positions of similar responsibility in gold mining companies of a similar size and operational complexity. In addition, given that one of the Company's major goals is to evolve from being the operator of a single mining property into a company with multiple mining operations in the Americas, the compensation packages are designed to be attractive to executives with experience in property evaluations, property development and business acquisitions.

Compensation Recommendations for the Fiscal Year Ended September 30, 2007

For guidance in establishing appropriate compensation packages for its executive officers, the Compensation, Nominating and Corporate Governance Committee relies upon the compensation information disclosed in the management information circulars for other Canadian-based gold mining companies, particularly those with operations in Latin America and also takes into account the primary location of each executive officer.

Chief Executive Officer

Based on its review of those information circulars, the Compensation, Nominating and Corporate Governance Committee recommended that the board of directors approve a base salary of \$225,000 per annum for Mr. Mirabal for the three-year period commencing October 1, 2006 and an aggregate bonus of \$150,000, payable in two equal instalments, for the 2007 fiscal year.

The compensation package of the Company's Chief Executive Officer for the fiscal year 2007 was approved by the Company's board of directors in accordance with the recommendations of the Compensation, Nominating and Corporate Governance Committee.

Other Executive Officers

The Compensation, Nominating and Corporate Governance Committee established the compensation of each of the Company's current executive officers other than the Chief Executive Officer for the fiscal year ended September 30, 2007 through a process consistent with that followed in reviewing and developing its recommendation for the compensation of the Chief Executive Officer. Such compensation consisted potentially of salary, bonus and stock options.

During the fiscal year ended September 30, 2007, the Compensation, Nominating and Corporate Governance Committee also recommended granting options to purchase Common Shares to each of Messrs. Mirabal and King and four other individuals who became directors of the Company during fiscal 2007.

The compensation of all such executive officers for the fiscal year ended September 30, 2007 was approved by the Company's board of directors in accordance with the recommendations of the Compensation, Nominating and Corporate Governance Committee.

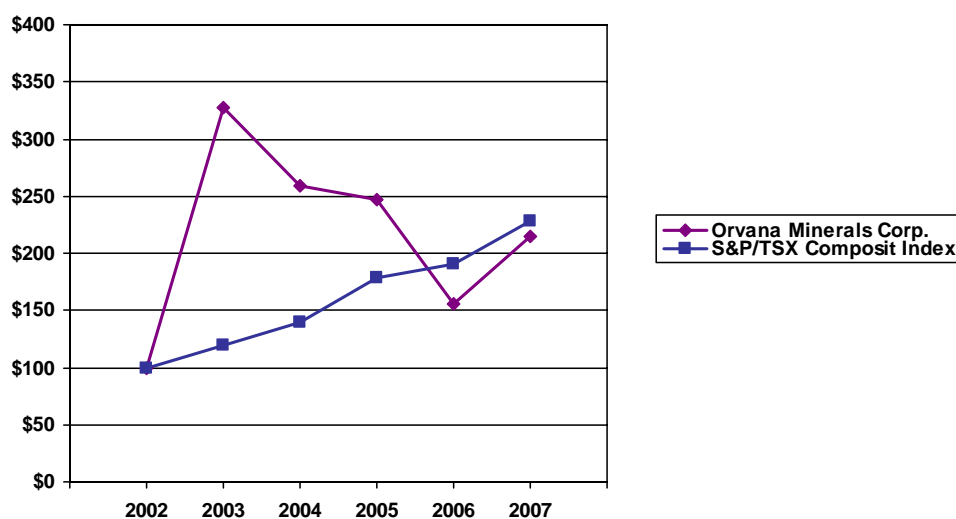
Report on Executive Compensation presented by the Compensation, Nominating and Corporate Governance Committee:

Dr. Peter Bradshaw, Enrique Herrera Soria and J. Christopher Mitchell

Performance Graph

The following graph compares the yearly percentage change in the Company's cumulative total shareholder return on its Common Shares with the cumulative total return of the S&P/TSX Composite Index (the "S&P/TSX Index") for the five most recently completed financial years. The graph illustrates the cumulative return on a \$100 investment in Common Shares made on September 30, 2002 as compared with the cumulative return on a \$100 investment in the S&P/TSX Index made on the same date. The Common Share performance as set out in the graph does not necessarily indicate future price performance.

**Cumulative Total Shareholder Return
September 30, 2002 through to September 30, 2007**



Year ended September 30	2002	2003	2004	2005	2006	2007
Orvana Minerals Corp.	\$100.00	\$327.66	\$259.57	\$246.81	\$155.32	\$214.89
S&P/TSX Composite Index	\$100.00	\$120.07	\$140.25	\$178.16	\$190.29	\$228.11

Compensation of Directors

From October 1, 2006 to September 30, 2007, non-management directors received annual fees of \$12,000 plus fees of \$1,250 for each board meeting attended in person or by telephone and \$625 for each committee meeting attended, and committee chairmen received additional annual fees ranging from \$3,500 to \$5,000. All reasonable expenses incurred by directors in attending meetings of the board of directors, committee meetings or shareholder meetings, together with all expenses properly and reasonably incurred by directors in the conduct of the Company's business or in the discharge of directors' duties, were paid by the Company. In addition, all directors are eligible to participate in the 2006 Stock Option Plan. During the fiscal year ended September 30, 2007, the Company issued to its directors options to acquire an aggregate of 150,000 Common Shares, which amount does not include the stock options to acquire in the aggregate, 350,000 Common Shares that were granted to Messrs. Mirabal and King in their respective capacities as President and Chief Executive Officer and Chief Financial

Officer of the Company. The Board intends to monitor director compensation to ensure it reflects the responsibilities and risks involved in being an effective director of the Company.

In addition to the fees described in the preceding paragraph, McArthur & Associates Ltd., a company controlled by Susan McArthur, the Chairman of the Company from July 2006 to May 2007, entered into an agreement, effective July 1, 2006, pursuant to which, in connection with Susan McArthur performing the duties of Chairman of the Company and for other related services, McArthur & Associates Ltd. would receive fees of \$70,000 per annum. Under this agreement, for the fiscal year ended September 30, 2007, McArthur & Associates Ltd. received payments from the Company in the aggregate amount of \$74,000 (including GST).

Also in addition to the fees described above, on December 14, 2006, the board of directors approved the payment of special compensation amounts to J. Christopher Mitchell, Peter Bradshaw and Peter Stein for their work as members of the Ad Hoc Technical Committee of the board of directors in reviewing, commenting on and overseeing the development of the Pre Feasibility Study of the UMZ following the departure of the Company's former President and Chief Executive Officer. Mr. Mitchell received a payment in the amount of \$25,000 and each of Messrs. Bradshaw and Stein received a payment in the amount of \$20,000.

Insurance Coverage

The directors and officers of the Company are covered under a directors' and officers' insurance policy that provides aggregate coverage of \$30 million, subject to a deductible of \$50,000, for the policy year that commenced December 11, 2007, with a premium of \$104,423. The premium paid by the Company for coverage of \$10 million for the period from December 10, 2006 to December 10, 2007 was \$56,381.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

National Policy 58-201 – *Corporate Governance Guidelines* of the Canadian Securities Administrators sets out a series of guidelines for effective corporate governance (the "Guidelines"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. As it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance with the Guidelines, National Instrument 58-101 – *Disclosure of Corporate Governance Practices* of the Canadian Securities Administrators requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines. Set out below is a description of the Company's approach to corporate governance in relation to the Guidelines.

The Board of Directors

The National Instrument defines an "independent director" as a director who has no direct or indirect material relationship with the Company. A "material relationship" is in turn defined as a relationship which could, in the view of the board of directors, be reasonably expected to interfere with such member's independent judgement. In determining whether a particular director is an "independent director" or a "non-independent director", the board of directors considers the factual circumstances of each director in the context of the Guidelines.

The Board is currently comprised of seven members, a majority of whom are "independent directors" within the meaning of the National Instrument. The six independent directors are C. Kent Jespersen (Chairman), Dr. Peter Bradshaw, Enrique Herrera Soria, J. Robert Logan, J. Christopher

Mitchell and Robert Mitchell. Carlos Mirabal is considered to have a material relationship with the Company by virtue of his position as the Company's President and Chief Executive Officer and, therefore, is not independent.

The Chairman of the Board, C. Kent Jespersen, is an independent director. The role of the Chairman is to assume the leadership of the Board and, with the Compensation, Nominating and Corporate Governance Committee and the Audit Committee, foster and preserve the independence of the Board. The Chairman's responsibilities include chairing all meetings of directors, providing leadership to the Board, managing the Board, acting as a liaison between the Board and management of the Company, and representing the Company. The Board's written mandate requires the Board to hold at least two meetings per year (either regularly scheduled or unscheduled) at which management of the Company is not present, and, at any time that the Chairman of the Board is not independent, to consider other possible steps and processes to ensure that leadership is provided to the Board's independent directors. A meeting of the independent directors in the absence of non-independent directors and members of management was held on November 28, 2007. In addition, on several other occasions, the independent directors have held informal discussions among themselves in the absence of non-independent directors and members of management.

Since October 1, 2006, the Company has held eleven directors' meetings. All directors attended all eleven meetings, except that Carlos Mirabal was absent from the meeting held on January 16, 2007; Ignacio Foncillas Garcia de la Mata was absent from the meetings held on February 15, 2007, March 15, 2007 and April 5, 2007; and Peter Stein was absent from the meetings held on March 15, 2007 and April 5, 2007.

Currently, the directors listed below serve as directors on the boards of directors of other public companies.

<u>Director</u>	<u>Public Company</u>
Dr. Peter Bradshaw	Aquila Resources Inc. First Point Minerals Corp.
Enrique Herrera Soria	Empresa Electrica Valle Hermoso S.A. Carlson Dividend Facility S.A.
C. Kent Jespersen	CCR Technologies Ltd. TransAlta Corporation Matrikon Inc. Axia Net Media Corporation
J. Robert Logan	Carmanah Technologies Corp.
J. Christopher Mitchell	Endurance Gold Corporation First Point Minerals Corp.
Robert Mitchell	Home Capital Group Inc. Acuity Funds Inc. (as manager of several publicly-traded funds)

Board Mandate

The Board has a written mandate to set the strategic direction of the Company and to oversee its implementation by management of the Company. A copy of the Board mandate is set forth in Schedule “B” to this Circular.

Position Descriptions

The board of directors has developed written position descriptions and corporate objectives for the Chairman of the Board and the President and Chief Executive Officer in order to delineate their respective roles and responsibilities. The board of directors has not to date developed formal position descriptions for the Chairmen of committees of the board of directors, as the responsibilities of those positions are generally delineated in the charters of such committees.

Orientation and Continuing Education

While the Company currently has no formal program to orient new directors to the role of the Board, its committees and its directors and the nature and operation of the Company’s business, it has been the Company’s practice for new directors to be thoroughly briefed by management and to be provided the opportunity to discuss with management, both formally and informally, the Company’s activities. It is the Company’s practice that new directors visit the Company’s Don Mario mine for a tour of the facility and meetings with mine managers and visit the Company’s offices in Santa Cruz, Bolivia to meet with local management. In addition, new directors are provided with copies of relevant policies and similar materials to ensure that they are familiarized with the procedures of the Board. The Board actively encourages each director to attend at least one industry trade show and associated educational program each year. The Compensation, Nominating and Corporate Governance Committee has responsibility for overseeing development of any orientation programs for new directors. That committee also oversees the development of any director development programs. Although the Company does not have a formal program for the continuing education of directors, the Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors of the Company by scheduling presentations to the Board from time to time to educate directors and keep them informed of developments within the Company and of disclosure and governance requirements and standards.

Ethical Business Conduct

The Board has adopted a written code of business conduct and ethics for the Company’s directors, officers and employees that sets out the Board’s expectations for the conduct of such persons in their dealings on behalf of the Company. A copy of the code may be obtained at www.orvana.com. The Board has established confidential reporting procedures in order to encourage employees, directors and officers to raise concerns regarding matters addressed by the code on a confidential basis free from discrimination, retaliation or harassment. Employees who violate the code of business conduct and ethics may face disciplinary actions, including dismissal.

Subject to certain exceptions prescribed under the OBCA, a director who is a party to a material contract or proposed material contract with the Company or who is a director or officer of a party to such a contract or otherwise has a material interest in a party to such a contract must disclose the nature and extent of the director’s interest to the Company and any material change in that interest. The Company’s code of business conduct and ethics and the OBCA also provides that, subject to certain exceptions prescribed under the OBCA, the interested director shall not attend any part of a meeting of directors during which the matter in which the director has a material interest is discussed and shall not vote on any resolution to approve such matter.

Audit Committee

The board of directors has established an Audit Committee comprised of three directors of the Company, Robert Mitchell (Chairman), J. Robert Logan and J. Christopher Mitchell, all of whom are independent and financially literate for purposes of Multilateral Instrument 52-110 – *Audit Committees*. The responsibilities and operation of the Audit Committee are described in the Company’s Annual Information Form dated November 28, 2007 on pages 23 and 24 under the heading “Audit Committee Disclosure” and in the copy of the Audit Committee Charter attached thereto as Appendix A, a copy of which is available on SEDAR at www.sedar.com.

Business Development Committee

On December 3, 2007, the board of directors established a Business Development Committee for the primary purpose of assisting the Company’s board of directors and management in identifying and evaluating acquisition, investment and other business development opportunities and in executing acquisition, investment and other business development transactions. The Business Development Committee is comprised of four directors of the Company, J. Robert Logan (Chairman), Peter Bradshaw, Enrique Herrera Soria and J. Christopher Mitchell.

Nomination of Directors

The Compensation, Nominating and Corporate Governance Committee is comprised of Dr. Peter Bradshaw (Chairman), Enrique Herrera Soria and J. Christopher Mitchell, each of whom is an independent director of the Company. In general terms, the committee’s responsibilities include (a) reviewing the compensation and performance of the Chief Executive Officer, (b) determining compensation of directors and other officers, (c) identifying potential candidates to become Board members, (d) evaluating the performance of the Board, committees of the Board and individual directors, and (e) developing the Company’s approach to corporate governance.

There are no specific criteria for Board membership, however, the Company attempts to attract and retain directors with an understanding of the Company’s business and a particular knowledge of mineral exploration and development or other areas (such as accounting and finance) which provide knowledge which would assist in guiding the officers of the Company. As such, nominations tend to be the result of recruitment efforts by management of the Company and discussions among the directors prior to consideration by the Board as a whole.

Compensation

The Compensation, Nominating and Corporate Governance Committee is responsible for, among other things, periodically reviewing and recommending to the directors appropriate levels of compensation for directors and senior management. The process by which executive compensation is established is described above under the heading “*Executive Compensation – Report on Executive Compensation*”.

The Compensation, Nominating and Corporate Governance Committee reviews periodically the adequacy and form of compensation of directors, including in relation to directors of similar companies, to ensure that the compensation of the Board reflects the responsibilities, time commitment and risks involved in being an effective director.

Assessments

The responsibilities of the Compensation, Nominating and Corporate Governance Committee include assessing, on a periodic basis, the contributions of the Board as a whole, the Audit Committee, the Compensation, Nominating and Corporate Governance Committee, the Business Development Committee and each of the individual directors, in order to determine their effectiveness and contribution to the Company. The Board proposes to adopt formal processes in 2008 for annually evaluating the effectiveness of the Board, its Committees, and the Chairman of the Board.

ADDITIONAL INFORMATION

Additional information regarding the Company is available on www.sedar.com. Financial information regarding the Company is contained in the Company's comparative audited consolidated financial statements for the year ended September 30, 2007 and management's discussion and analysis of results of operations and financial condition ("MD&A"). The Company will provide the Company's audited consolidated financial statements and MD&A to any shareholder, upon request to the Secretary of the Company, who may be contacted at (416) 369-1629.

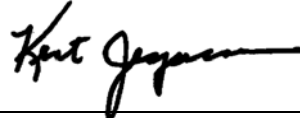
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DIRECTORS' APPROVAL

The contents and the sending of this Management Information Circular have been approved by the board of directors of the Company.

Dated as of January 7, 2008.

By order of the board of directors



Name: C. Kent Jespersen
Title: Chairman

SCHEDULE A

AMENDED SECTIONS OF BY-LAW NO. B-1

AMENDED SECTIONS OF BY-LAW NO. B-1

A by-law relating generally to the transaction of the business and affairs of

ORVANA MINERALS CORP.
(hereinafter called the “Corporation”)

CONTENTS

Section Four	Directors
Section Five	Committees
Section Six	Officers
Section Seven	Protection of Directors, Officers and Others
Section Ten	Meetings of Shareholders

SECTION FOUR DIRECTORS

4.02 Qualification. No person shall be qualified for election as a director if he is less than 18 years of age; if he has been found under the *Substitute Decisions Act* (Ontario) or under the *Mental Health Act* (Ontario) to be incapable of managing property or has been found to be incapable by a court in Canada or elsewhere; if he is not an individual; or if he has the status of a bankrupt. A director need not be a shareholder. Subject to the Act, at least 25 per cent of the directors shall be resident Canadians.

4.16 Quorum. Subject to sections 4.08 and 4.18, the quorum for the transaction of business at any meeting of the board shall be two-fifths of the number of directors or minimum number of directors, as the case may be, or such greater number of directors as the board may from time to time determine.

4.18 Conflict of Interest. A director who is a party to, or who is a director or officer of or has a material interest in any person who is a party to, a material contract or transaction or proposed material contract or transaction with the Corporation shall disclose to the Corporation the nature and extent of that interest at the time and in the manner provided by the Act. Such a director shall not attend any part of a meeting of directors during which the contract or transaction is discussed and shall not vote on any resolution to approve the same except as provided by the Act. If no quorum exists for the purpose of voting on such a resolution only because a director is not permitted to be present at the meeting, the remaining directors shall be deemed to constitute a quorum for the purposes of voting on the resolution. Where all of the directors are required to make a disclosure under this section, the contract or transaction may only be approved by the shareholders.

SECTION FIVE COMMITTEES

5.01 Committees of the Board. The board may appoint from their number one or more committees of the board, however designated, and delegate to any such committee any of the powers of the board except those which pertain to items which, under the Act, a committee of the board has no authority to exercise.

SECTION SIX OFFICERS

6.03 Managing Director. The board may from time to time also appoint a managing director who shall be a director. If appointed, he shall be the chief executive officer and, subject to the authority of the board, shall have general supervision of the business and affairs of the Corporation; and he shall have such other powers and duties as the board may specify. During the absence or disability of the president, or if no president has been appointed, the managing director shall also have the powers and duties of that office.

SECTION SEVEN PROTECTION OF DIRECTORS, OFFICERS AND OTHERS

7.01 Limitation of Liability. Every director and officer of the Corporation in exercising his powers and discharging his duties to the Corporation shall act honestly and in good faith with a view to the best interests of the Corporation and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Subject to the foregoing, no director or officer shall be liable for the acts, receipts, neglects or defaults of any other director, officer or employee, or for joining in any receipt or other act for conformity, or for any loss, damage or expense happening to the Corporation through the insufficiency of deficiency of title to any property acquired for or on behalf of the Corporation, or for the insufficiency of deficiency of any security in or upon which any of the moneys of the Corporation shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious acts of any person with whom any of the moneys, securities or effects of the Corporation shall be deposited, or for any loss occasioned by any error of judgement or oversight on his part, or for any other loss, damage or misfortune which shall happen in the execution of the duties of his office or in relation thereto; provided that nothing herein shall relieve any director or officer from the duty to act in accordance with the Act and the regulations thereunder or from liability for any breach thereof.

7.02 Indemnity.

(1) Subject to the Act and Section 7.02(2), the Corporation shall:

indemnify any individual who is or was a director or officer of the Corporation and any individual who acts or acted at the Corporation's request as a director or officer (or any individual acting in a similar capacity) of another entity, against all costs, charges and expenses, including, without limitation, an amount paid to settle an action or satisfy a judgment, reasonably incurred by any such individual

in respect of any civil, criminal, administrative, investigative or other proceeding in which such individual is involved because of that association with the Corporation or other entity; and

advance moneys to a director, officer or other individual for the costs, charges, and expenses of a proceeding referred to in section 7.02(1)(a). The individual shall repay the moneys if such individual does not fulfil the conditions of section 7.02(2).

- (2) The Corporation shall not indemnify an individual under section 7.02(1) unless such individual:

acted honestly and in good faith with a view to the best interests of the Corporation or, as the case may be, to the best interests of the other entity for which such individual acted as a director or officer (or in a similar capacity) at the Corporation's request; and

in the case of a criminal or administrative action or proceeding that is enforced by a monetary penalty, had reasonable grounds for believing that such individual's conduct was lawful.

The Corporation shall also indemnify individuals referred to in section 7.02(1)(a) in such other circumstances as the Act or law permits or requires. Nothing in this by-law shall limit the right of any individual entitled to indemnity to claim indemnity apart from the provisions of this by-law.

7.04 Material Interest. In supplement of and not by way of limitation upon any rights conferred upon directors by the Act, it is declared that no director shall be disqualified by his office from or vacate his office by reason of, holding any office or place of profit under the Corporation or under any body corporate in which the Corporation shall be a shareholder or by reason of being otherwise in any way directly or indirectly interested or contracting with the Corporation either as vendor, purchaser or otherwise or being concerned in any contract or arrangement made or proposed to be entered into with the Corporation in which he is in any way directly or indirectly interested either as vendor, purchaser or otherwise nor shall any director be liable to account to the Corporation or any of its shareholders or creditors for any profit arising from any such office or place or profit; and, subject to the provisions of the Act, no contract or arrangement entered into by or on behalf of the Corporation in which any directors shall be in any way directly or indirectly interested shall be avoided or voidable and no director shall be liable to account to the Corporation or any of its shareholders or creditors for any profit realized by or from any such contract or arrangement by reason of any fiduciary relationship.

SECTION TEN MEETINGS OF SHAREHOLDERS

10.05 List of Shareholders Entitled to Notice. For every meeting of shareholders, the Corporation shall prepare a list of shareholders entitled to receive notice of the meeting, arranged in alphabetical order and showing the number of shares held by each shareholder entitled to vote at the meeting. If a record date for the meeting is fixed pursuant to section 10.06, the

shareholders listed shall be those registered at the close of business on such record date. If no record date is fixed, the shareholders listed shall be those registered at the close of business on the day immediately preceding the day on which notice of the meeting is given or, where no such notice is given, on the day on which the meeting is held. The list shall be available for examination by any shareholder during usual business hours at the registered office of the Corporation or at the place where the central securities register is maintained and at the meeting for which the list was prepared. Where a separate list of shareholders has not been prepared, the names of persons appearing in the securities register at the requisite time as the holder of one or more shares carrying the right to vote at such meeting shall be deemed to be a list of shareholders.

10.06 Record Date for Notice. The board may fix in advance a date, preceding the date of any meeting of shareholders by not more than 60 days and not less than 30 days, as a record date for the determination of the shareholders entitled to notice of the meeting, and notice of any such record date shall be given not less than seven days before such record date by newspaper advertisement in the manner provided by the Act and, if any shares of the Corporation are listed for trading on a stock exchange in Canada, by written notice to each such stock exchange. If no record date is so fixed, the record date for the determination of the shareholders entitled to notice of the meeting shall be at the close of business on the day immediately preceding the day on which the notice is given or, if no notice is given, the day on which the meeting is held.

10.11 Right to Vote. A meeting of shareholders may be held without notice at any time and place permitted by the Act (a) if all the shareholders entitled to vote thereat are present or duly represented or if those not present or represented waive notice of or otherwise consent to such meeting being held, and (b) if the auditors and the directors are present or waive notice of or otherwise consent to such meeting being held; so long as such shareholder, auditors or directors present are not attending for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called. At such a meeting any business may be transacted which the Corporation at a meeting of shareholders may transact.

SCHEDULE B

BOARD OF DIRECTORS MANDATE

ORVANA MINERALS CORP.

BOARD OF DIRECTORS MANDATE

ADOPTED BY THE BOARD OF DIRECTORS

November 11, 2005

ORVANA MINERALS CORP.

BOARD OF DIRECTORS MANDATE

1. Purpose

The Board of Directors (the “**Board**”) of Orvana Minerals Corp. (the “**Corporation**”) has a duty to supervise the management of the business and affairs of the Corporation. The Board, directly and through its Boards and its Chair, shall provide direction to senior management, generally through the Chief Executive Officer, to pursue the best interests of the Corporation.

2. Membership

All matters concerning the membership and organization of the Board (including: the number, qualifications and remuneration of directors; the number of Board meetings; residency requirements; quorum requirements; meeting procedures; appointment of a chair; and notices of meetings) are as established by the Ontario *Business Corporations Act* and the by-laws and resolutions of the Corporation.

At least annually, the Board shall, with the assistance of the Compensation, Nominating and Corporate Governance Committee, determine the independence of each director based on the definition of independence contained in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (“NI 58-101”) and the independence of each Audit Committee member based on the definition of independence in National Instrument 52-110 – *Audit Committees*. It shall be an objective that at least a majority of the directors shall be independent as determined in accordance with NI 58-101, and if at any time less than a majority of directors are independent, the Board shall consider possible steps and processes to facilitate its exercise of independent judgement in carrying out its responsibilities.

If at any time the Chair of the Board is not independent, the Board shall consider possible steps and processes to ensure that leadership is provided for the Board’s independent directors.

3. Functions and Responsibilities

The Board shall have the functions and responsibilities set out below. In addition to these functions and responsibilities, the Board shall perform such duties as may be required by the binding requirements of any stock exchanges on which the Corporation’s securities are listed and all other applicable laws.

- (a) **Strategic Planning** — The Board shall periodically review and, if advisable, approve the Corporation’s strategic planning process and short- and long-term strategic and business plans prepared by management. In discharging this responsibility, the Board shall review the plan in light of management’s assessment of emerging trends, the competitive environment, risk issues, and significant business practices and products. At least annually, the Board shall review management’s implementation of the Corporation’s strategic and business plans. The Board shall review and, if advisable, approve any material amendments to, or variances from, these plans.
- (b) **Risk Management** — The Board shall, with the assistance of the Audit Committee, periodically:
 - (i) identify the risks inherent in the business of the Corporation and review and approve management’s risk philosophy and risk management policies necessary to address, as much as reasonably possible, those identified risks and
 - (ii) review management reports demonstrating compliance with risk management policies and confirm that management has taken reasonable steps to ensure compliance with standards.

- (c) **Controls and Systems** — The Board shall, with the assistance of the Audit Committee, verify that internal, financial, non-financial and business control, information systems and data security procedures have been established by management and that the Corporation is applying appropriate standards of corporate conduct for these controls.
- (d) **Human Resources** — The Board shall, with the assistance of the Compensation, Nominating and Corporate Governance Committee, periodically: (i) review the Corporation’s approach to human resource management and executive compensation and (ii) review succession plans for the Chairman of the Board, the Chief Executive Officer and senior management of the Corporation.
- (e) **Corporate Governance** — The Board shall, with the assistance of the Compensation, Nominating and Corporate Governance Committee, periodically: (i) review the Corporation’s approach to corporate governance; (ii) evaluate the Board’s ability to act independently from management in fulfilling its duties; (iii) review reports provided by management relating to compliance with, or material deficiencies of, the Corporation’s Code of Business Conduct and Ethics; and (iv) satisfy itself as to the culture of integrity within the Corporation and of the executive officers of the Corporation.
- (f) **Financial Information** — The Board shall, with the assistance of the Audit Committee, periodically: (i) review the Corporation’s internal controls relating to financial information and reports provided by management on material deficiencies in, or material changes to, these controls and (ii) review the integrity of the Corporation’s financial information and systems, the effectiveness of internal controls and management’s assertions on internal control and disclosure control procedures.
- (g) **Communications** — The Board in conjunction with the Chief Executive Officer shall periodically review the Corporation’s overall communications strategy, including measures for receiving feedback from the Corporation’s shareholders.
- (h) **Disclosure** — The Board shall periodically review management’s compliance with the Corporation’s disclosure policies and procedures. The Board shall, if advisable, approve material changes to the Corporation’s disclosure policies and procedures.

4. Committees of the Board

- (a) **Committees Established** — The Board has established an Audit Committee and a Compensation, Nominating and Corporate Governance Committee. Subject to applicable law, the Board may establish other Board committees or merge or dispose of any Board committee.
- (b) **Committee Charters** — The Board has approved charters for each Board committee and shall approve charters for any new Board Committee. Each charter shall be reviewed periodically, and, based on recommendations of the relevant committee and the Chairman of the Board, be approved by the Board.
- (c) **Delegation to Committees** — The Board has delegated for approval or review the matters set out in each Board committee’s charter and may further delegate matters to such committees from time to time. As required, the Board shall consider for approval the specific matters delegated for review to Board committees.

- (d) **Committee Reporting to Board** — To facilitate communication between the Board and its committees, each committee Chair shall provide a report to the Board on material matters considered by the committee at the next Board meeting after each meeting of the committee.

5. Meetings

- (a) **General** — The rules and regulations relating to the calling and holding of and proceedings at meetings of the Board shall be those established by the Ontario *Business Corporations Act* and the by-laws and resolutions of the Corporation.
- (b) **Secretary and Minutes** — The Corporate Secretary, his or her designate or any other person the Board requests, shall act as secretary of Board meetings. Minutes of Board meetings shall be recorded and maintained by the Corporate Secretary and subsequently presented to the Board for approval.
- (c) **Meetings Without Management** — The Board shall hold unscheduled or regularly scheduled meetings, or portions of regularly scheduled meetings, at which management is not present at least twice per year.
- (d) **Attendance and Preparedness** — Directors are expected to attend regularly scheduled Board meetings and to have prepared for the meetings by, at a minimum, reviewing in advance of the meeting the materials delivered in connection with the meeting. The attendance record of individual directors will be disclosed in the Corporation's proxy circular as required by NI 58-101.

6. Director Development and Evaluation

New directors shall be provided with such orientation sessions, including site visits, as the Board determines are appropriate from time to time. With the assistance of the Compensation, Nominating and Corporate Governance Committee, the Board shall periodically consider how directors may maintain the skill and knowledge necessary to meet their obligations as directors, including through continuing education programs, and evaluate and review the performance of the Board, each of its committees and each of the directors.

7. Access to Information

In its discharge of the foregoing duties and responsibilities, the Board shall have free and unrestricted access at all times, either directly or through its duly appointed representatives, to officers of the Corporation and to the relevant books, records and systems of the Corporation as considered appropriate.

8. Independent Advisors

The Board shall have the authority to engage and terminate such independent counsel and other advisors as it may from time to time deem necessary or advisable for its purposes and to set and cause to be paid by the Corporation the compensation of any such counsel or advisors.

9. Board Review of Mandate

The Board shall periodically review the adequacy of the Board's mandate. In accordance with NI 58-101, the text of this mandate shall be included in the Corporation's management information circular.