

News Release

Orvana Minerals Reports 2002 Results

TORONTO, CANADA, April 15, 2003 – Orvana Minerals Corp (TSX: ORV) announced today its operating and financial results for the fiscal year ended December 31, 2002. Orvana Chairman, President and CEO Jaime Urjel said, “2002 was a year of significant transition toward commencing production. With our major shareholder, Comsur, we worked on construction and development of the US\$19 million Don Mario gold mine in southeast Bolivia. Construction is in the process of being completed, on schedule and on budget, and we expect mine start-up and mill commissioning to begin in April.”

The new mine and milling facility will extract and process ore from the lower mineralized zone, which has estimated proven and probable reserves of 360,000 fine troy ounces of gold. Estimated annual output is 60,000 ounces of gold upon reaching full commercial production. Based on water accumulation at the site’s reservoirs to date and anticipated rainfall in April, management expects that there will be sufficient water supply to operate the Don Mario mill on a continuous basis until the next rainy season which typically occurs between December and April.

As the Don Mario mine was under construction and development in 2002, Orvana capitalized US\$12.8 million of expenditures and did not generate any revenues from production. Total expenses decreased by approximately US\$690,000 in 2002 compared to the previous year, due primarily to the elimination of full-time management and exploration staff and offices in North America which took place in 2000 and 2001. In 2002, the Company had an operating loss of US\$301,861 prior to recording a non-recurring gain of US\$839,367 for restructuring costs, compared to a loss of US\$947,556 (US\$0.02 per share) in the previous year. After the gain from restructuring items, Orvana recorded a net income of US\$537,506 (US\$0.00 per share) in 2002. Considering cash and cash equivalents of US\$1.5 million at year end, the undrawn amount of loan facilities, and projected revenues and expenses this year, Company management believes it has sufficient working capital to meet all currently expected financial obligations related to anticipated commercial production.

Mr. Urjel added, “Assuming favourable gold market conditions continue, Orvana is well positioned. Due to our relatively moderate infrastructure, labour and energy costs, it is estimated that the Don Mario mine will process ore at cash costs of approximately US\$25-\$30 per tonne. We also expect Orvana to have free cash flow to conduct further feasibility studies and exploration of the Don Mario property and elsewhere.”

ORVANA MINERALS CORP.

Consolidated Balance Sheets

(Expressed in United States Dollars)

	December 31, 2002	December 31, 2001
ASSETS		
Current assets		
Cash and cash equivalents	\$ 1,505,939	\$ 5,600
Accounts receivable and prepaid expenses	1,408,199	6,266
Supplies and other	<u>1,143,082</u>	<u>-</u>
	4,057,220	11,866
Mineral properties and deferred development costs	7,542,000	7,542,000
Construction in progress	12,923,245	-
Capital assets	<u>-</u>	<u>30,797</u>
	<u>\$ 24,522,465</u>	<u>\$ 7,584,663</u>
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	\$ 1,173,769	\$ 1,206,934
Current portion of notes payable	182,600	-
Loans payable	<u>-</u>	<u>173,508</u>
	1,356,369	1,380,442
Loan payable - Banco de Credito de Bolivia	4,000,000	-
Loan payable - Compania Minera del Sur S.A.	8,000,000	-
Notes payable	<u>145,240</u>	<u>-</u>
	<u>13,501,609</u>	<u>1,380,442</u>
SHAREHOLDERS' EQUITY		
Capital stock	74,405,466	70,126,337
Deficit	<u>(63,384,610)</u>	<u>(63,922,116)</u>
	<u>11,020,856</u>	<u>6,204,221</u>
	<u>\$ 24,522,465</u>	<u>\$ 7,584,663</u>

ORVANA MINERALS CORP.

Consolidated Statements of Operations and Deficit

(Expressed in United States Dollars)

	For the years ended December 31,	
	2002	2001
Income		
Gain on sale of subsidiary	\$ -	\$ 72,834
Interest and other income	16,896	32,300
	<u>16,896</u>	<u>105,134</u>
Expenses		
Amortization	-	13,199
Audit, accounting and legal	192,602	287,171
Corporate and capital tax	-	2,157
Consulting	43,428	55,633
Director fees	12,051	-
Foreign exchange (gain) loss	(39,265)	5,238
General exploration	-	182,701
Office and sundry	41,373	51,609
Printing and investor relations	3,678	9,545
Salaries and benefits	-	393,744
Stock exchange and transfer agent fees	34,093	51,693
Write-off of capital assets	30,797	-
Total expenses	<u>318,757</u>	<u>1,052,690</u>
Operating loss	(301,861)	(947,556)
Gain on restructuring costs	<u>(839,367)</u>	<u>-</u>
NET INCOME (LOSS) for the period	537,506	(947,556)
DEFICIT, beginning of period	<u>(63,922,116)</u>	<u>(62,974,560)</u>
DEFICIT, end of period	<u>\$ (63,384,610)</u>	<u>\$ (63,922,116)</u>
Income (loss) per share	<u>\$ 0.00</u>	<u>\$ (0.02)</u>

ORVANA MINERALS CORP.

Consolidated Statements of Cash Flows

(Expressed in United States Dollars)

	For the years ended December 31,	
	2002	2001
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Cash provided by (used in)		
OPERATING ACTIVITIES		
Income (loss) for the period	\$ 537,506	\$ (947,556)
Gain on restructuring costs	(839,367)	-
Gain on sale of capital assets	-	2,514
Gain on sale of subsidiary	-	(72,834)
Write-off of capital assets and amortization	<u>30,797</u>	<u>13,199</u>
	(271,064)	(1,004,677)
Changes in non-cash working capital items		
Receivables and prepaids	(640,916)	3,396
Accounts payable and accrued liabilities	68,966	683,108
Supplies and other	(1,143,082)	-
Notes payable	<u>327,840</u>	<u>-</u>
	<u>(1,658,256)</u>	<u>(318,173)</u>
FINANCING ACTIVITIES		
Proceeds from share issues *	4,223,988	-
Due to Compania Minera del Sur S.A.	8,000,000	-
Loan payable, Banco de Credito de Bolivia	4,000,000	-
(Repayment)/advance of loans payable	<u>(142,148)</u>	<u>80,207</u>
	<u>16,081,840</u>	<u>80,207</u>
INVESTING ACTIVITIES		
Proceeds from sale of capital assets	-	2,514
Proceeds from sale of tax credit	-	70,894
Construction in progress	<u>(12,923,245)</u>	<u>-</u>
	<u>(12,923,245)</u>	<u>73,408</u>
CHANGE IN CASH AND CASH EQUIVALENTS	1,500,339	(164,558)
CASH AND CASH EQUIVALENTS, beginning of period	<u>5,600</u>	<u>170,158</u>
CASH AND CASH EQUIVALENTS, end of period	<u>\$ 1,505,939</u>	<u>\$ 5,600</u>

*** SUPPLEMENTARY INFORMATION**

In the current year, the Company issued 668,219 common shares to settle \$31,360 of loan advanced by Comsur and 150,000 common shares to settle \$23,781 of deferred salary and vacation benefits to an officer and a former officer.

Notes to the audited Consolidated Statements and Management's Discussion and Analysis will soon be available on SEDAR at www.sedar.com.

Orvana's **annual meeting of shareholders** will be held in Toronto at the offices of Blake, Cassels & Graydon LLP, 23rd floor, Commerce Court West, 199 Bay Street, at 4:00 pm on Thursday, June 12th, 2003. Documents related to the meeting will be posted on SEDAR at www.sedar.com.

For further information, please contact: George Hamilton, Director, 905-822-1463, ghamilton@orvana.com

This news release contains forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business as well as the precious metals market and economic environment in which it operates. These statements are not guarantees of future performance and involve risks and uncertainties (described in the Company's public disclosure documents) which are difficult to control or predict. Therefore, actual outcomes and results may differ materially from those expressed in these forward-looking statements and readers should not place undue reliance on them. Statements speak only as of the date on which they are made, and the Company undertakes no obligation to publicly update them to reflect new information or the occurrence of future events or circumstances.