

ORVANA EARNS US\$0.3 MILLION IN THIRD QUARTER 2005

TORONTO, ONTARIO, August 15, 2005 – Orvana Minerals Corp. (TSX symbol: ORV) announced today that it earned net income of US\$0.3 million (\$0.00 per share) during the third quarter ended June 30, 2005. Net income for the nine months ended June 30, 2005 amounted to US\$4.4 million or \$0.04 per share.

Dollar amounts in this news release are in United States dollars unless stated otherwise, and fine troy ounces of gold produced at the Corporation's Don Mario mine located in eastern Bolivia are referred to as "ounces".

The Company produced 17,404 ounces of gold, and sold 13,820 ounces in the three months ended June 30, 2005, generating total revenues of \$5.9 million. Cash flow from operations (before changes in non-cash working capital items) amounted to \$2.8 million in the third quarter 2005.

The record production level of 17,345 ounces achieved in the second quarter was repeated in the third quarter ended June 30, 2005 with production of 17,404 ounces.

Don Mario Mine Operations

During the third quarter 2005, the Don Mario mill treated 58,117 tonnes of ore and produced 17,404 ounces of gold compared to 59,626 tonnes treated and 14,643 ounces produced in the third quarter 2004. The following table indicates the improvement in average head grades in the third quarter 2005 compared to the third quarter 2004:

		3 months ended June 30, 2005	June 2005	May 2005	April 2005	3 months ended June 30, 2004
Underground mine	tonnes	36,437	12,989	14,436	9,012	30,760
	g/t	12.23	14.18	9.69	13.48	8.60
Mini-pit & stockpile	tonnes	21,680	6,579	5,921	9,180	28,866
	g/t	7.47	2.94	8.89	9.81	8.46
Total	tonnes	58,117	19,568	20,357	18,192	59,626
	g/t	10.46	10.40	9.46	11.63	8.54
Recovery rate		89.1%	86.1%	89.0%	92.1%	89.5%
Gold produced - ounces		17,404	5,631	5,510	6,263	14,643

Financial Highlights

Orvana sold 13,820 ounces of gold in the third quarter ended June 30, 2005 at an average price of \$426 per ounce.

The 13,820 ounces sold in the third quarter 2005 do not include a shipment of 5,631 ounces with an invoice value of \$2.4 million made on the last day of the quarter but for which title did not pass until early July. This gold shipment is included in gold and ore inventories at a cost of \$1.1 million at June 30, 2005.

Net income for the third quarter 2005 was reduced by a one-time non-cash charge of \$0.9 million for stock-based compensation on stock options granted during the quarter. In addition, the Company continues to incur certain expenses (\$0.5 million in the third quarter 2005) in connection with the assumption of certain management functions currently performed by

Compania Minera del Sur S.A. pursuant to a services agreement which is expected to terminate on September 30, 2005.

The following table shows cash costs and other production costs for the third quarter 2005 compared to the third quarter 2004. These calculations represent non-GAAP measures (see "Non-GAAP Measures" below):

	Three Months Ended June 30, 2005		Three Months Ended June 30, 2004	
	Costs	Cost/oz.	Costs	Cost/oz.
Direct mine operating costs	\$1,892,150	\$108.72	\$1,379,589	\$94.21
Third-party smelting, refining and transportation costs	31,209	1.79	27,367	1.87
Cash operating costs	1,923,359	110.51	1,406,956	96.08
Royalties and mining rights	303,861	17.46	189,292	12.93
Total cash costs	2,227,220	127.97	1,596,248	109.01
Depreciation and amortization	1,193,737	68.59	1,106,392	75.56
Total production costs	\$3,420,397	\$196.56	\$2,702,640	\$184.57

Orvana's operating results and financial position are summarized below:

	Three Months Ended June 30		Nine Months Ended June 30	
	2005	2004	2005	2004
Revenue	\$5,892,124	\$5,522,965	\$18,913,688	\$13,325,035
Expenses	4,611,272	3,152,669	11,546,518	9,216,537
Net income for the period	321,389	2,140,472	4,436,671	3,568,219
Net income per share – basic and diluted	\$0.00	\$0.02	\$0.04	\$0.03
Cash and cash equivalents				
			\$7,380,301	\$3,397,876
Total assets				
			36,659,383	32,512,233
Long-term debt, including current portion				
			8,087,930	15,032,487

Unaudited consolidated financial statements and Management's Discussion & Analysis for the third quarter ended June 30, 2005 are available on SEDAR and at www.orvana.com.

About Orvana

Orvana Minerals Corp. is a Canadian gold mining and exploration company based in Toronto, Ontario, involved in the evaluation, development and mining of precious metal deposits in the Americas. The Company owns the Don Mario mine in eastern Bolivia. Orvana's long-term goal is to become a low cost, long-life, multi-mine producer in the Americas. Orvana's shares have been listed on the Toronto Stock Exchange since 1992 under the trading symbol ORV.

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Forward-Looking Statements

This news release may contain forward-looking statements that are based on the Company's expectations, estimates and projections regarding its business and the precious metals market and economic environment in which it operates. These statements are not guarantees of future performance and involve risks and uncertainties that 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 such statements. Statements speak only as of the

date on which they are made, and the Company undertakes no obligation to update them publicly to reflect new information or the occurrence of future events or circumstances.

Non-GAAP Measures

The production and unit costs contained in the table above are based on the industry-recognized Gold Institute Production Cost Standard that has been widely adopted throughout the global gold industry. The purpose of providing this information standard is to give management and the financial community a tool to make meaningful comparisons of gold mining companies with production cost information in a uniform format. These calculations represent non-GAAP information, do not have a standardized meaning prescribed by GAAP, should not be construed as an alternative to GAAP reporting of operating expenses, and may not be comparable to similar measures presented by other issuers. For a reconciliation of the non-GAAP costs and unit costs provided above with the Company's GAAP-based statement of operations, please see the Company's Management Discussion & Analysis for the third quarter ended June 30, 2005.