

ORVANA

MINERALS CORP.

ORVANA REPORTS CONTINUING STRONG RESULTS FOR REVENUES AND NET INCOME FOR THE THIRD QUARTER ENDED JUNE 30, 2006

TORONTO, ONTARIO, August 14, 2006 -- Orvana Minerals Corp. (TSX symbol: ORV) announced today that it earned net income of US\$3.9 million (US\$0.03 per share) on revenues of US\$11.1 million for the quarter ended June 30, 2006 ("third quarter 2006") compared to net income of US\$0.3 million (US\$0.00 per share) on revenues of US\$5.9 million for the quarter ended June 30, 2005 ("third quarter 2005").

Cash provided by operating activities amounted to US\$6.9 million in the third quarter 2006 compared to US\$2.2 million in the third quarter 2005.

Dollar amounts (except per unit amounts) in the remainder of this news release are in thousands of United States dollars unless stated otherwise, and fine troy ounces of gold are referred to as "ounces".

The Company produced 19,333 ounces of gold and sold 18,177 ounces in the third quarter 2006 compared to 17,404 ounces produced and 13,820 ounces sold in the third quarter 2005.

Don Mario Mine Operations

In the third quarter 2006, a total of 65,369 tonnes of ore were treated compared to 58,117 tonnes in the third quarter 2005.

		Three months ended June 30, 2006	June 2006	May 2006	April 2006	Three months ended June 30, 2005
Underground mine	tonnes	54,604	15,622	18,198	20,784	36,437
	g/t	10.51	11.01	10.23	10.37	12.23
Mini-pit & stockpile	tonnes	10,765	7,112	3,653	-	21,680
	g/t	6.49	5.83	7.77	6.76	7.47
Total	tonnes	65,369	22,734	21,851	20,784	58,117
	g/t	9.85	9.39	9.82	10.37	10.46
Recovery rate		93.4%	94.9%	93.7%	91.8%	89.1%
Gold produced - ounces		19,333	6,511	6,461	6,361	17,404

The following tables show the cash costs for the third quarter 2006 and first nine months of fiscal 2006 compared to the same periods in fiscal 2005. These calculations represent Non-GAAP information, which 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 (see "Non-GAAP Measures" below).

	Three months ended June 30			
	2006		2005	
	Costs (US\$'000)	Cost/oz.	Costs (US\$'000)	Cost/oz
Direct mine operating costs	\$2,525	\$130.61	\$1,892	\$108.72
Third-party smelting, refining and transportation costs	54	2.78	31	1.79
Cash operating costs	2,579	133.39	1,923	110.51
Royalties and mining rights	400	20.72	304	17.46
Total cash costs	2,979	154.11	2,227	127.97
Depreciation and amortization	1,432	74.08	1,194	68.59
Total production costs	\$4,411	\$228.19	\$3,421	\$196.56

	Nine Months Ended June 30			
	2006		2005	
	Costs (US\$'000)	Cost/oz.	Costs (US\$'000)	Cost/oz
Direct mine operating costs	\$6,766	\$115.82	\$4,829	\$98.97
Third-party smelting, refining and transportation costs	153	2.63	112	2.29
Cash operating costs	6,919	118.45	4,941	101.26
Royalties and mining rights	1,193	20.41	820	16.80
Total cash costs	8,112	138.86	5,761	118.06
Depreciation and amortization	4,247	72.70	3,562	73.01
Total production costs	\$12,359	\$211.56	\$9,323	\$191.07

Fiscal Period Financial Highlights

Orvana's operating results and financial position for the three and nine-month periods ended June 30, 2006 compared to the same periods ended June 30, 2005 are summarized below:

	Three Months Ended June 30		Nine Months Ended June 30	
	2006	2005	2006	2005
Revenues	\$11,092	\$5,891	\$31,656	\$18,913
Costs and expenses of mining operations	4,235	2,438	12,297	8,297
Expenses (other income)	1,176	2,172	4,346	3,249
Net income	3,914	322	10,414	4,437
Net income per share – basic and fully diluted	\$0.03	\$0.00	\$0.09	\$0.04
Cash and cash equivalents			\$18,574	\$7,380
Total assets			48,106	36,659
Long-term debt, including current portion			-	7,959

Revenue for third quarter 2006 increased 88% to \$11,092 on 18,177 ounces sold compared to \$5,891 on 13,820 ounces sold in the same quarter a year ago. Higher production and higher gold prices both contributed to the revenue increase. However, revenue for the third quarter 2005 was unusually low due to a shipment of 5,631 ounces of gold on June 30, 2005 for which

title had not passed and, therefore, the related revenue was not recognized, until the fourth quarter of fiscal 2005.

Tonnes treated in the third quarter 2006 were 65,369 compared to 58,117 in the same quarter a year ago. Gold production for the third quarter 2006 increased 11% to 19,333 ounces compared to 17,404 ounces in the third quarter 2005, due to higher recoveries and tonnes processed which together more than offset the impact of slightly lower grades.

For the third quarter 2006, cash flow provided by operating activities more than tripled to \$6,922 from \$2,176 in the third quarter 2005 reflecting improved operating results. However, cash flow from operating activities for the third quarter 2005 was unusually low due to timing of recognition of revenue from a shipment of 5,631 ounces of gold referred to above.

Interim unaudited financial statements and Management's Discussion & Analysis for the third quarter 2006 are available on SEDAR and at www.orvana.com.

About Orvana

Orvana Minerals is a Canadian gold mining and exploration company based in Toronto, Canada, involved in the evaluation, development and mining of precious metal deposits in the Americas. The Company's primary operation is the Don Mario Mine in eastern Bolivia. Orvana's long-term goal is to become a low cost, long-life, multi-mine gold 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

Certain statements in this press release constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, potentials, future events or performance (often, but not always, using words or phrases such as "believes", "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", or "intends" or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken or achieved) are not statements of historical fact, but are "forward-looking statements". Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of Orvana, or developments in Orvana's business or in its industry, to differ materially from the anticipated results, performance, achievements or developments expressed or implied by such forward-looking statements. Forward-looking statements include all disclosure regarding possible events, conditions or results of operations that are based on assumptions about future conditions, courses of action and consequences. Forward-looking statements may also include, without limitation, any statement relating to future events, conditions or circumstances. Orvana cautions you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Forward-looking statements relate to, among other things, mineral resource and mineable reserve estimates, production forecasts, future transactions, the successful completion of reclamation projects, future gold prices, the ability to achieve additional growth and geographic diversification, future production costs, accounting estimates and assumptions, future tax benefits, the renewal or renegotiation of agreements, future financial performance, including the ability to increase cash flow and profits, future financing requirements, mine development plans, and possible changes in the regulatory, political, social and economic environment in Bolivia. A variety of inherent risks, uncertainties and factors, many of which are beyond the Company's control, affect the operations, performance and results of the Company and its business, and could cause actual results to differ materially from current expectations of estimated or anticipated events or results. Some of these risks, uncertainties and factors include the impact or unanticipated impact of: the need to recalculate estimates of reserves and resources based on actual production experience; the failure to achieve production estimates; variations in the grade of ore mined; variations in the cost of operations; fluctuations in the price of gold; the availability of qualified personnel; risks generally associated with mineral exploration and development, including the Company's ability to acquire and develop mineral properties; the Company's ability to obtain additional financing when required on terms that are acceptable to the Company; challenges to the Company's interests in its property and mineral rights; current, pending and proposed legislative or regulatory developments or changes in political, social or economic conditions in Bolivia; general economic conditions worldwide and the risks identified in Orvana's Management's Discussion and Analysis for the third quarter 2006

under the heading "Risks and Uncertainties". This list is not exhaustive of the factors that may affect any of the Company's forward-looking statements and reference should also be made to the Company's Annual Information Form for a description of additional risk factors. Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions, and the Company does not undertake any obligation to update forward-looking statements should assumptions related to these plans, estimates, projections, beliefs and opinions change. Readers are cautioned not to put undue reliance on forward-looking statements.

Non-GAAP Measures

The Company has used Non-GAAP measures including direct mine operating costs, cash operating costs, total cash costs and total production costs, and related unit cost information, because it understands that certain investors use this information to determine the Company's ability to generate earnings as cash flow for use in investing and other activities. The Company believes that conventional measures of performance prepared in accordance with GAAP do not fully illustrate the ability of its operating mine to generate cash flow. Non-GAAP measures do not have any standardized meaning prescribed under Canadian 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 companies. The measures are not necessarily indicative of cost of sales as determined under Canadian GAAP. Cash costs are determined in accordance with the former Gold Institute's Production Cost Standard. 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's Discussion & Analysis for the third quarter 2006.