

# ORVANA

MINERALS CORP.

## ***ORVANA REPORTS RECORD QUARTERLY PRODUCTION AND FINANCIAL PERFORMANCE FOR THE THIRD QUARTER ENDED JUNE 30, 2007***

TORONTO, ONTARIO, August 10, 2007 -- Orvana Minerals Corp. (TSX symbol: ORV) announced record production, revenues and earnings today with net income of US\$7.6 million (US\$0.07 per share) on revenues of US\$15.6 million for the quarter ended June 30, 2007 ("third quarter 2007") compared to 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").

Cash flow from operations amounted to US\$12.3 million in the third quarter 2007, an increase of 78% compared to US\$6.9 million in the third quarter 2006.

Dollar 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 23,425 ounces of gold and sold 23,771 ounces in the third quarter 2007, compared to 19,333 ounces produced and 18,177 ounces sold in the third quarter 2006.

Orvana President and Chief Executive Officer, Carlos Mirabal said, "Orvana achieved another record in May 2007 with production of 7,857 ounces, the highest production in any month since start-up in July 2003. Barring the unforeseen, we should record production in excess of 80,000 ounces again this year.

Net income in the third quarter was \$7,609, just short of the record of \$7,679 set in the second quarter of the current fiscal year. The Company continues to be long-term debt-free and finished the quarter with \$49,401 in cash. We have the resources to invest and grow.

We continue exploration on the other mining concessions of the Don Mario Property, including the Las Tojas concession where we are currently evaluating drilling results. We hope to be in a position to report findings on this work in the next month or so.

Progress on the full feasibility study of the Upper Mineralized Zone is on target for completion in December 2007 and we expect that, if we proceed with the required investment of approximately \$65,000, the Don Mario operation's life will be extended by as much as seven years beyond 2009.

We are also continuing our efforts to meet a key objective of country-risk diversification as we continue to look at investment opportunities elsewhere in South America. While our stated objective has been to grow through the acquisition of producing mines and advanced-stage properties, we are also looking for exploration projects where we see potential and our objective of country-risk diversification is met."

### **Don Mario Mine Operations**

In the third quarter 2007, a total of 66,986 tonnes of ore were treated compared to 65,369 tonnes in the third quarter 2006:

		Three months ended June 30, 2007	June 2007	May 2007	April 2007	Three months ended June 30, 2006
Underground mine	tonnes	61,598	21,743	21,167	18,688	54,604
	g/t	12.48	11.74	12.05	13.83	10.51
Minipit & stockpile	tonnes	5,388	870	2,950	1,568	10,765
	g/t	2.02	2.14	1.96	2.07	6.49
Total	tonnes	66,986	22,613	24,117	20,256	65,369
	g/t	11.64	11.38	10.82	12.92	9.85
Recovery rate		93.4%	93.5%	93.7%	93.2%	93.4%
Gold produced - ounces		23,425	7,729	7,857	7,839	19,333

The following table shows the cash costs for the third quarter and the nine months ended June 30, 2007 compared to the same periods ended June 30, 2006. The Company prepares its financial statements in accordance with Canadian generally accepted accounting principles ("GAAP"). The calculations below 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. For a reconciliation of the non-GAAP costs and unit costs provided below with the Company's GAAP-based statement of operations, please see the Company's Management's Discussion & Analysis for the third quarter fiscal 2007. (see "non-GAAP measures" below).

	Three months ended June 30			
	2007		2006	
	Costs	Cost/oz.	Costs	Cost/oz.
Direct mine operating costs	\$3,207	\$136.92	\$2,525	\$130.61
Third-party smelting, refining and transportation costs	57	2.42	54	2.78
Cash operating costs	3,264	139.34	2,579	133.39
Royalties and mining rights	497	21.20	400	20.72
Total cash costs	3,761	160.54	2,979	154.11
Depreciation and amortization	1,711	73.04	1,432	74.08
Total production costs	\$5,472	\$233.58	\$4,411	\$228.19
Gold production	23,425 ozs.		19,333 ozs.	

	Nine months ended June 30			
	2007		2006	
	Costs	Cost/oz.	Costs	Cost/oz.
Direct mine operating costs	\$8,578	\$132.35	\$6,766	\$115.82
Third-party smelting, refining and transportation costs	160	2.47	153	2.63
Cash operating costs	8,738	134.82	6,919	118.45
Royalties and mining rights	1,357	20.94	1,193	20.41
Total cash costs	10,095	155.76	8,112	138.86
Depreciation and amortization	5,158	79.58	4,247	72.70
Total production costs	\$15,253	\$235.34	\$12,359	\$211.56
Gold production	64,810 ozs.		58,417 ozs.	

## Quarterly Financial Highlights

Orvana's operating results and financial position for the three and nine-month periods ended June 30, 2007 compared to the same periods ended June 30, 2006 are summarized below:

	Three months ended June 30		Nine months ended June 30	
	2007	2006	2007	2006
Revenues	\$15,623	\$11,092	\$41,737	\$31,656
Net income	7,609	3,914	19,079	10,414
Net income per share – basic and fully diluted	\$0.07	\$0.03	\$0.17	\$0.09
Cash and cash equivalents	\$49,104	\$18,574	\$49,104	\$18,574
Total assets	73,859	48,106	73,859	48,106
Long-term debt, including current portion	-	-	-	-

Interim unaudited consolidated financial statements and Management's Discussion and Analysis for the third quarter 2007 are available on SEDAR and at [www.orvana.com](http://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 and base 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 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, all aspects of the possible development of the Upper Mineralized Zone ("UMZ") deposit at Don Mario and of its potential operation and production, mineral resource and mineral reserve estimates, the realization of mineral reserve estimates, estimates of future capital expenditures and timing of development and production and estimates of the outcome and timing of decisions with respect to whether and how to proceed with such development and production, permitting time lines, statements and information regarding future feasibility studies and their results, 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 fluctuations in the price of gold; 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; the availability of qualified personnel; risks generally associated with mineral exploration and development, including the Company's ability to develop the UMZ deposit if it determines to do so and 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 fiscal 2007 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 fiscal 2007.