

ORVANA

MINERALS CORP.

ORVANA REPORTS RECORD REVENUE, CASH PROVIDED BY OPERATING ACTIVITIES AND A 64% INCREASE IN TOTAL CASH FOR THE YEAR ENDED SEPTEMBER 30, 2008

TORONTO, ONTARIO, December 4, 2008 -- Orvana Minerals Corp. (TSX symbol: ORV) announced operating results today for the year ended September 30, 2008. Dollar amounts in this news release are in thousands of United States dollars unless stated otherwise, and fine troy ounces of gold are referred to as "ounces". Highlights for the year are:

- Revenues of \$69.1 million on sales of 79,813 ounces for fiscal 2008 compared to \$55.9 million on sales of 86,322 ounces for fiscal 2007;
- Production of 79,604 ounces at a total cash cost of \$240.63 (including \$47.95 resulting from a new mining royalty tax) per ounce for fiscal 2008 compared to 86,322 ounces produced at a total cash cost of \$156.53 per ounce for fiscal 2007;
- Net income of \$25.7 million (\$0.22 per share) for fiscal 2008, slightly lower than net income of \$26.0 million (\$0.23 per share) a year ago;
- Cash provided by operating activities amounted to \$41.2 million for fiscal 2008 compared to \$31.5 million in fiscal 2007;
- Cash and cash equivalents of \$91.0 million at September 30, 2008 compared to \$55.7 million last year.

Orvana President and Chief Executive Officer, Carlos Mirabal said, "We are satisfied with results for the year. High gold prices throughout fiscal 2008 helped us achieve record revenues and cash generated from operating activities despite a decline in production compared to fiscal 2007.

But the end of fiscal 2008 marks a strategic turning point for the Company. The Company's gold production will begin to decline year-over-year during the next two years and, at current rates of production, we estimate that gold-bearing ore will be depleted by the end of the third quarter of fiscal 2010.

We finished fiscal 2008 with \$91.0 million available to invest in mining operations and to diversify. We are looking at the Don Mario Mine's copper-bearing Upper Mineralized Zone in Bolivia and many opportunities outside Bolivia that have begun to appear.

The Don Mario Mine Upper Mineralized Zone Feasibility Study is almost complete. It is anticipated that the UMZ Feasibility Study will demonstrate that a multi-year, multi-metal mining operation will be viable using current metal prices.

Management is devoting considerable time and effort to investigate numerous investment opportunities that we have identified in the Americas. We believe that the turmoil in the financial markets and its impact on the availability of project financing will provide us with even more opportunities for investment. Still, we have hard work ahead of us to identify the best opportunities and to make sure that we acquire them at fair prices."

According to Bill Williams, Orvana's Vice President, Corporate Development, "the Company continues to actively evaluate and negotiate the acquisition of mining properties that fit our investment criteria. Current capital market conditions are advantageous to the execution of the Company's strategy.

Additionally, we were very pleased to acquire the Copperwood project in the Upper Peninsula of the State of Michigan. An Environmental Impact Assessment study is underway and a National Instrument 43-101 study is expected to begin in fiscal 2009. Our target is to begin production on this copper property during fiscal 2013."

Don Mario Mine Operations

In fiscal 2008, a total of 253,217 tonnes of ore were treated, compared to 253,469 tonnes a year ago.

		Year ended September 30, 2008	Quarters ended				Year ended September 30, 2007
			Sept. 30, 2008	June 30, 2008	Mar. 31, 2008	Dec. 31, 2007	
Underground mine	Tonnes	244,734	63,599	58,993	59,334	62,808	241,218
	g/t	10.67	9.21	11.44	11.05	11.06	11.91
Minipit & stockpile	Tonnes	8,483	285	2,104	2,321	3,773	12,251
	g/t	1.94	1.87	1.95	1.95	1.94	2.00
Total tonnes treated	Tonnes	253,217	63,884	61,097	61,655	66,581	253,469
	g/t	10.38	9.18	11.12	10.72	10.54	11.43
Gold recovery rate		94.2%	93.6%	95.6%	94.0%	93.5%	92.7%
Gold production - ounces		79,604	17,656	20,877	19,988	21,083	86,381

Gold production for fiscal 2008 was 8% lower, at 79,604 ounces, compared to 86,381 ounces for fiscal 2007 due primarily to lower head grades.

The following table shows the cash costs for the fourth quarter and fiscal year 2008. 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 (see "non-GAAP measures" below).

	Year ended Sept. 30, 2008		Quarter ended Sept. 30, 2008	
	Costs	Cost/oz.	Costs	Cost/oz.
Direct mine operating costs	\$13,032	\$163.71	\$3,784	\$214.31
Third-party smelting, refining and transportation costs	231	2.90	56	3.19
Cash operating costs	13,263	166.61	3,840	217.50
Royalties and mining rights	2,075	26.07	433	24.57
Mining royalty tax	3,817	47.95	1,109	62.79
Total cash costs	19,155	240.63	5,382	304.86
Depreciation and amortization	7,736	97.18	1,901	107.66
Total production costs	\$26,891	\$337.81	\$7,283	\$412.52

Unit costs for the fourth quarter at \$412.52 reflect the impact of lower production on all elements of total production costs. For the full fiscal year 2008, total production costs per ounce at \$337.81 were higher due to lower production compared to fiscal 2007 (79,604 ounces in fiscal 2008 compared to 86,381 ounces in fiscal 2007). Price increases also contributed to higher unit costs, but the single biggest factor in the increase in both total production costs and unit costs was the new mining royalty tax, which added \$3,817, or \$47.95 per ounce, to production costs.

Fiscal Year Financial Highlights

Orvana's financial highlights for the year ended September 30, 2008 compared to the year ended September 30, 2007 are summarized below:

	Year Ended September 30	
	2008	2007
Revenue	\$69,064	\$55,920
Net income	25,707	26,023
Net income per share – basic and diluted	\$0.22	\$0.23
Cash provided by operating activities	\$41,212	\$31,488
Cash and cash equivalents	91,041	55,667
Total assets	120,685	81,153
Long-term debt	4,245	-
Shareholders' equity	96,862	70,956

Quarterly Financial Highlights

Orvana's financial highlights for the fourth quarter ended September 30, 2008 compared to the fourth quarter ended September 30, 2007 are summarized below:

	Fourth quarter ended September 30	
	2008	2007
Revenue	\$15,681	\$14,183
Net income	4,605	6,944
Net income per share – basic and diluted	\$0.04	\$0.06
Cash provided by operating activities	\$7,559	\$7,042

Audited consolidated financial statements and Management's Discussion & Analysis for the fiscal year ended September 30, 2008 are available on SEDAR and at www.orvana.com.

About Orvana

Orvana Minerals Corp. is a Canadian 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 owns and operates the Don Mario Mine in eastern Bolivia. Orvana's long-term goal is to become a low cost, long-life, multi-mine gold and base metals producer in the Americas. Orvana's shares have been listed on the Toronto Stock Exchange since 1992 under the trading symbol ORV.

For further information, please contact Malcolm King at 416-369-1629.

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; the possible development of the Copperwood Project in the State of Michigan; 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 or the Copperwood Project 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 year ended September 30, 2008 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 except as required by law, 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 year ended September 30, 2008.