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MINERALS CORP.

ORVANA PROVIDES AN OPERATIONS UPDATE AND REVISED RESERVE ESTIMATE FOR THE UPPER MINERALIZED ZONE (“UMZ”) COPPER–GOLD–SILVER MINE, BOLIVIA

Toronto, Ontario, January 18, 2012 – Orvana Minerals Corp. (TSX:ORV), through its wholly-owned subsidiary, Empresa Minera Paititi (“EMIPA”), provides an operations update and revised National Instrument (“NI”) 43-101-compliant reserve estimate for its Don Mario UMZ copper-gold-silver mine operations in Bolivia.

Operations

Production for the first quarter of fiscal 2012, ended on December 31, is summarized in the table below.

UMZ Mill Production (LPF)				
	Oct-11	Nov-11	Dec-11	Q1, FY2012
Throughput (tonnes)	43,709	35,285	38,939	117,933
Head Grade				
Cu, %	1.73	1.79	1.74	1.75
Au, g/t	1.80	1.51	1.80	1.17
Ag, g/t	71.5	72.1	86	76.4
Recovery (%)				
Cu	56.5	51.3	56.9	55.0
Au	38.8	31.4	33.9	35.1
Ag	23.8	18.3	22.4	21.7
Production (concentrate)				
tonnes	1,046	823	749	2,618
Cu, %	40.8	39.1	51.6	43.4
Au, g/t	29.2	20.4	31.7	27.1
Ag, g/t	711.8	563	999.3	747.8
Production (fines)				
Cu, tonnes	426	323	386	1,136
Cu, pounds	940,142	712,320	851,723	2,504,185
Au, ounces	981	539	762	2,282
Ag, ounces	23,935	14,930	24,064	88,357

For the first quarter, direct operating costs were approximately \$1.65/lb. of copper net of by-product revenues.

“Production stabilized during the last three months,” said Carlos Mirabal, Executive Chairman of EMIPA. “Although the copper recovery is nearly 60%, the concentrate copper grade produced is now in excess of 50%. We will continue our efforts to improve availability as well as reach our Leach-Precipitation-Flotation (“LPF”) copper recovery goal of 70%.”

The Company is implementing a plan to increase availability by processing transition ore directly through the flotation circuit during LPF-circuit maintenance shutdowns and/or during periods of limited sulphuric acid supply.

“Given the challenges of maintaining the LPF plant at high efficiency and the technical limitations of leaching the tailings to recover more gold and silver, management has decided to start processing select ore directly through the flotation circuit,” said Bill Williams, President and CEO. “This will allow us to maintain throughput at or near capacity throughout any given month. Although total copper production may decrease, the expected recoveries of the precious metals should increase as compared to the LPF process.”

To date, four 1,000-tonne lots of concentrate have been shipped to the port at Arica, Chile. Current concentrate stockpile at the mine site consists of 2,366 tonnes of 39.22% copper, 27.4 g/t gold, and 817 g/t silver. This amount includes a 1,000-tonne lot of 42.6% copper, 25.0 g/t gold, and 803 g/t silver ready for shipment, another 1000-tonne being prepared for shipment, and 148 tonnes of talc concentrate containing 9.0% copper, 61.8 g/t gold, and 1,828 g/t silver, which will constitute a marketable product after some re-treatment to reduce its fluorine content.

Updated Reserve

The updated NI 43-101-compliant reserve estimate is 5.23 million tonnes of 1.45% copper, 1.36 g/t Au, and 44.97 g/t silver. This total figure includes a stockpile comprised mostly of porous and oxide ore of 567,116 million tonnes of 1.98% copper, 1.94 g/t Au, and 21.88 g/t silver as well as a plant stockpile of 88,270 tonnes of 1.81% copper, 1.92 g/t gold, and 64.7 g/t silver ready for processing (see table below).

The revised estimate represents a less than 6.5% decrease in contained metals (see the press release of August 20, 2010).

UMZ Reserves					
(October 31, 2011)		Tonnes	Au, gpt	Ag,gpt	Cu,%
Sulphide	Proven	577,976	1.01	36.33	1.19
	Probable	862,014	0.99	37.22	1.14
	Inferred into pit	6,426	0.70	27.28	0.78
Transitional	Proven	969,586	1.50	52.45	1.38
	Probable	950,007	1.32	47.81	1.22
	Inferred into pit	80,472	0.87	47.37	1.01
Oxide	Proven	856,738	1.67	47.35	1.82
	Probable	628,224	1.47	51.89	1.78
	Inferred into pit	126,670	1.36	51.00	1.74
Porous	Proven	298,570	1.72	28.89	1.92
	Probable	83,089	1.14	46.60	1.94
	Inferred into pit	9,413	1.38	53.10	3.36
TOTAL	Proven	2,702,870	1.47	44.78	1.54
	Probable	2,523,334	1.24	45.17	1.36
	TOTAL P&P	5,226,204	1.36	44.97	1.45
	Plant Stockpile included in P&P	88,270	1.92	64.71	1.82
	Inferred into pit	222,981	1.16	49.09	1.52
	Processed thru October	146,645	1.78	60.31	1.79

Model parameters, including the targeted metal recoveries, for the estimated 9-year life of mine ("LOM") are as follows:

Mine Plan:	~1,800 t/day (for 320 days/year over 8 years) 567,000-tonne stockpile sent to plant in Year 9
Avg. Annual Production (LOM)	12,000 ounces Au 6,000 tonnes Cu 420,000 ounces Ag
Gold recovery (LOM – all ores):	49%
Copper recovery (LOM – all ores):	76%
Silver recovery (LOM – all ores):	50%

Key financial input parameters are (all values in US dollars):

Sustaining capital:	\$ 13,800,000
Mine operating cost:	\$ 3.50/t ore, \$1.50/t waste
Strip ratio (waste:ore):	0.57:1
Processing cost:	
LPF:	\$ 50.20/t ore (Porous/Oxide/Transition)
Flotation –only:	\$ 15.20/t ore (Sulphide)
G&A:	\$ 4.80/t ore
Copper price (LOM):	\$ 2.75/lb.

Gold price (LOM):	\$1,100.00/ounce
Silver price (LOM):	\$ 20.00/ounce

The parameters include an assumed 50% increase in the LPF cost per tonne, which increase is mostly due to the increased prices for sulphur and iron sponge since the last reserve estimate was presented (see the press release of August 20, 2010).

This new estimate incorporates a revised mine plan designed to minimize the metallurgical challenges being experienced in the Leach-Precipitation-Flotation process. Throughput is planned at 1,800 tonnes per day over 320 days per year, but as more sulphide-bearing ore is opportunistically sent directly to the flotation circuit, both throughput and availability could increase. The revised mine plan accelerates mining and processing of the transition and sulphide ores on the reasonable expectation, based on testing, that metal recoveries will improve given that the mineralization is more amenable to flotation. The current mine stockpile will then be processed in Year 9.

Inferred resources within the pit shell are not included in the reserve estimate or the mine plan. These resources will be mined opportunistically at the discretion of the geologists on site as such resources become exposed.

Exploration

The Company drilled two exploration holes that targeted geophysical anomalies west of the UMZ. One of these holes intercepted the projection of the Lower Mineralized Zone shear zone. The hole, which was collared on the UMZ deposit and drilled nearly perpendicular to the dip of the shear zone thus being a representation of true width, returned 23.7 metres of 1.22% copper, 2.75 g/t gold, and 16.5 g/t silver, including 2 metres of 2.49% copper, 18.86 g/t gold, and 73.5 g/t silver. The hole intercepted the shear zone about 60 metres above the highest level of mining within the shear zone. This mineralization was not included in the UMZ reserve estimate, but will be evaluated for possible inclusion in any future mine plan.

The information presented herein was compiled by, or under the supervision of, Mr. Gino Zandonai and Dr. W.C. Williams, President and CEO of Orvana Minerals Corp. Both are qualified persons for the purposes of National Instrument 43-101. One-quarter HQ core samples were collected on site. Gold values were determined by fire assay with an atomic absorption finish on a 30-gram sample, silver values were determined by atomic absorption after a 2-acid digestion, and copper values by the Iodometric method at the Don Mario laboratory; select pulp and reject samples were analyzed as checks. Independent check samples of one-quarter HQ core were analyzed by atomic absorption by ALS Chemex in Lima, Peru.

The Technical Report will be filed on www.sedar.com and the Orvana website within 45 days of this release.

About Orvana

Orvana Minerals is a gold-copper producer. Orvana's primary asset is the El Valle/Boinás-Carlés ("EVBC") gold-copper project in northern Spain, which operation started production in August 2011. Orvana owns and operates the Don Mario UMZ Mine in Bolivia, which is still in the commissioning stage. In addition, Orvana is completing a bankable feasibility study on its Copperwood copper project in Michigan, USA and for which a mine permit application is presently under review by the regulatory authorities. Additional information is available at Orvana's website (www.orvana.com).

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Forward Looking Disclaimer

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" "plans", "estimates" or "intends" or stating that certain actions, events or results "may", "could", "would", "might", "will" or "are projected to" be taken or achieved) are not statements of historical fact, but are forward-looking statements.

Forward-looking statements relate to, among other things, all aspects of the development of the Upper Mineralized Zone ("UMZ") deposit at the Don Mario Mine in Bolivia, the El Valle-Boinás/Carlés project in Spain and the Copperwood project in Michigan and their potential operations and production; the outcome and timing of decisions with respect to whether and how to proceed with such development and production; the timing and outcome of any such development and production; estimates of future capital expenditures; mineral resource estimates; estimates of permitting time lines; statements and information regarding future feasibility studies and their results; production forecasts; future transactions; future metal prices; the ability to achieve additional growth and geographic diversification; future production costs; future financial performance, including the ability to increase cash flow and profits; future financing requirements; and mine development plans.

Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Orvana as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of Orvana contained or incorporated by reference in this news release, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in the Company's most recently filed Annual Information Form, or as otherwise expressly incorporated herein by reference as well as: there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; permitting, development, operations, expansion and acquisitions at the UMZ deposit, El Valle-Boinás/Carlés and the Copperwood projects being consistent with the Company's current expectations; political developments in any jurisdiction in which the Company operates being consistent with its current expectations;

certain price assumptions for gold, copper and silver; prices for key supplies being approximately consistent with current levels; production and cost of sales forecasts meeting expectations; the accuracy of the Company's current mineral reserve and mineral resource estimates; and labour and materials costs increasing on a basis consistent with Orvana's current expectations.

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 events or results to differ materially from estimated or anticipated events or results expressed or implied by forward looking statements. Some of these risks, uncertainties and factors include fluctuations in the price of gold, silver and copper; the need to recalculate estimates of 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; the Company's ability to obtain and maintain all necessary regulatory approvals and licenses; the Company's ability to use cyanide in its mining operations; risks generally associated with mineral exploration and development, including the Company's ability to develop the UMZ deposit, the Copperwood project or the El Valle-Boinás/Carlés project; the Company's ability to acquire and develop mineral properties and to successfully integrate such acquisitions; the Company's ability to obtain 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 the countries in which the Company operates; general economic conditions worldwide; and the risks identified in Orvana's Management's Discussion and Analysis for the period ended December 31, 2010 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.