

***Don Mario UMZ Feasibility Study  
Updated Financial Summary***

***684,000 Tonne Per Year  
Flotation Plant***

***14 May 2009***

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## **DON MARIO UPPER MINERALIZED ZONE**

### **UPDATED FINANCIAL ANALYSES TO ACCOMPANY THE DON MARIO FLOTATION ONLY FEASIBILITY STUDY – 14 MAY 2009**

This updated financial analysis supports all data presented in the “Don Mario UMZ Flotation Only Feasibility Study” which was issued on 19 December 2008. The updated financial analysis incorporates an increase in calculated ore reserves, based on an updated mine plan. The updated mine plan was issued by AMEC on 19 December 2008. Base case metal prices were also revised for this update. The updated reserve contains 5.8 million tonnes of open-pittable oxide, transition and sulfide ores containing copper, gold and silver.

The “base case” incorporates a flotation plant to produce concentrates from all three ore types. The operation of the existing cyanide leach plant in conjunction with new concentrate wash and Merrill-Crowe facilities will recover gold/silver from some of the concentrates. This base case requires an initial investment of US\$26.5 million, generates an after tax cash inflow of US\$62.5 million, and shows a 28.9% after-tax return on investment.

#### Overall Metal Production:

Copper	32,000 tonnes
Gold	176,000 Troy Oz
Silver	6,100,000 Troy Oz

Base case metal prices used in the Updated Financial Analysis are as follows:

Copper	US\$2.00 per pound
Gold	US\$650.00 per troy ounce
Silver	US\$10.00 per troy ounce

For the purposes of the after tax cash flow analysis, it is assumed that all pre-production costs occur in Year 0. Mining, milling of transition and sulfide ores and mining and stockpiling of oxide ore commence in Year 1. Milling of stockpiled oxide ore begins in year 6. All mining and milling of transition and sulfide ores are completed in year 6 with milling of oxide ore completed in the middle of year 9. Reclamation and closure are scheduled to be completed in year 10.