Orvana reports improved second quarter financial results

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HIGHER GOLD PRODUCTION AND LOWERED CONSOLIDATED UNITARY COSTS
ON TRACK TO DELIVER 2019 PRODUCTION GUIDANCE

PURCHASE AGREEMENT TO ACQUIRE
TAGUAS GOLD PROPERTY, SAN JUAN, ARGENTINA

All Amounts in US Dollars Unless Otherwise Stated

Second Quarter Fiscal 2019 Highlights:

- Increased gold production of 27,306 ounces and 1.4 million pounds of copper
- Delivered improved COC of $971 and AISC of $1,107
- On track to achieve year-end consolidated production guidance and lower cash costs
- Revenue of $36 million
- EBITDA of $8.3 million
- Net Income of $3.3 million
- Cash balance of $9.3 million as of March 31, 2019

TORONTO, May 14, 2019 - Orvana Minerals Corp. (TSX:ORV) (the "Company" or "Orvana") announced today financia
operational results for the second quarter of fiscal 2019 ("Q2 2019"). The Company is also providing financial and opera
updates for its El Valle and Carlés Mines (collectively, "El Valle") operations in northern Spain, and for its Don Mario Mi
operations in Bolivia.

The unaudited condensed interim consolidated financial statements for Q2 2019 and Management's Discussion and An
related thereto are available on SEDAR and on the Company's website at www.orvana.com.

The Company is pleased to report the following positive developments in Q2 2019:

- Increased consolidated gold production of 27,306 ounces compared to 27,272 ounces in Q1 2019 and 24,788 ou compared to the same quarter in 2018.
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    - FY2019 to date gold production of 54,578 and 2.8 million pounds of copper.
- Improved consolidated cash costs:
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    - COC of $971 - 5% lower compared to $1,025 in Q1 2019 and 8% lower compared to $1,055 for the same q
    - AISC of $1,107 - 5% lower compared to $1,161 in Q1 2019 and 15% lower compared to $1,309 for the sam 2018.

- Increased EBITDA of $8.3 million and $12.7 million for the first half of fiscal 2019 compared to $4,5 million in the in 2018.
- Increased Net income of $3.3 million and $2.3 million for the first half of fiscal 2019 compared to a loss of $3.5 mi same quarter in 2018.
- El Valle delivers 7% higher gold production of 17,742 ounces in the second quarter of fiscal 2019 compared to 16 the first quarter, due to 8% grade increase.
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    - Gold grade improved in the second quarter to 3.49 g/t due to 44% oxides blending at the mill, compared to previous quarter.
- Don Mario produces 9,564 ounces of gold in the second quarter of fiscal 2019 compared to 10,726 gold ounces t quarter. An 11% decrease, which was expected and planned for; Don Mario is on track to meet its fiscal 2019 gui
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    - The development and engineering of a Sulphidization-Acidification-Recycling-Thickening ("SART") circuit, a leach pad, continues to advance. This undertaking is designed to add an additional three years of mine life Mario operations, commencing in FY 2021, subject to completion of technical, economic and funding review

- Successful re-financing in 2019: In the second quarter of fiscal 2019 the Company, through its wholly-owned subs OroValle in Spain, closed a â‚¬6 million syndicated credit facility with three Spanish Banks. On completion of the Orvana repaid the full Samsung C&T Prepayment Facility, originally entered into in August 2016.
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    - Subsequent to March 31, 2019, the syndicated credit facility was increased by â‚¬2 million, for a total amou million.
- On track to maintain fiscal 2019 guidance: Based on operating results generated from the first half of fiscal 2019, is confident that it will achieve its stated fiscal 2019 consolidated production of 100,000 - 110,000 ounces of gold on COC guidance of $950 - $1,050 and AISC of $1,150 - $1,250

Juan Gavidia, CEO of Orvana Minerals stated: "Having already established a track record of consistent operational per Orvana is now clearly delivering on unitary costs, and profitability metrics. Once again, we must give recognition to our in Spain and Bolivia for their continued outstanding contribution, while keeping operational safety measures as its overr principle. We are firmly committed to delivering on our production guidance and ensuring extended mine lives for our as Spain and Bolivia. We look forward to updating our shareholders in the near future."

The following table sets out Orvana's fiscal 2019 guidance as well as its fiscal 2018 production and results:

Selected Consolidated Operational and Financial Information

	Q2 2019	Q1 2019	Q2 2018	YTD 2019	YTD 2018
Operating Performance					
Gold					
Grade (g/t)	2.54	2.54	2.54	2.54	2.55
Recovery (%)	93.2	93.5	92.2	93.3	91.1
Production (oz)	27,306	27,272	24,788	54,578	47,960
Sales (oz)	25,507	27,466	25,489	52,973	47,484
Average realized price / oz	$1,299	$1,226	$1,304	$1,261	$1,293
Copper					
Grade (%)	0.49	0.48	0.57	0.49	0.60
Recovery (%)	78.1	75.9	63.0	77.0	63.1
Production ('000 lbs)	1,441	1,375	2,609	2,816	5,368
Sales ('000 lbs)	1,531	1,400	2,531	2,931	5,231
Average realized price / lb	2.80	$2.81	$2.80	2.80	$2.81
Financial Performance (in 000's, except per share amounts)					
Revenue	$36,013	$36,318	$36,930	$72,331	$71,100
Mining costs	$27,512	$30,595	$30,525	$58,107	$58,585
Gross margin	$3,930	$865	($394)	$4,795	$64
Net income (loss)	$3,334	($1,060)	($3,505)	$2,274	($6,884)
Net income (loss) per share (basic/diluted)	$0.02	($0.01)	($0.03)	$0.02	($0.05)
EBITDA (1)	$8,265	$4,449	$4,473	$12,714	$8,655
Operating cash flows before non-cash working capital changes	$8,684	$4,169	$2,447	$12,853	$4,533
Operating cash flows	$1,238	$3,366	($5,486)	$4,604	($3,339)
Ending cash and cash equivalents	$9,316	$8,325	$12,482	$9,316	$12,482
Capital expenditures (2)	$1,956	$1,763	$5,462	$3,719	$11,669
Cash operating costs (by-product) ($/oz) gold (1)	$971	$1,025	$1,055	$999	$1,029
All-in sustaining costs (by-product) ($/oz) gold (1)(2)	$1,107	$1,161	$1,309	$1,135	$1,283
All-in costs (by-product) ($/oz) gold (1)(2)	$1,138	$1,172	$1,387	$1,156	$1,390

(1) Earnings before interest, taxes, depreciation and amortization ("EBITDA"), cash operating costs, all-in sustaining costs and all-in costs are non-IFRS performance measures. For further information and a detailed reconciliation of these measures not presented elsewhere, please see the "Other Information - Non-IFRS Measures" section of this MD&A.

(2) These amounts are presented in the consolidated cash flows in the Q2 Financials on a cash basis. Each reported period excludes capital expenditures incurred in the period which will be paid in subsequent periods and includes capital expenditures incurred in prior periods and paid for in the applicable reporting period. See the "Cash Flows, Commitments and Liquidity - Capital Expenditures" section of this MD&A. The calculation of all-in sustaining costs and all-in costs includes capex incurred (paid and unpaid) during the period.

TAGUAS GOLD PROPERTY ACQUISITION

The Company is also pleased to announce that subsequent to the fiscal second quarter, it has entered into a purchase agreement (the "Purchase Agreement") with Compañía Minera Taguas S.A. (the "Vendor") pursuant to which, Orvana has agreed to acquire (the "Transaction") the Taguas property located in the Province of San Juan, Argentina ("Taguas" or the "Property"). In consideration for 100% of Taguas, Orvana will grant the Vendor an indivisible net smelter royalty equal to 2.5% on all future metals production mined from the Property.

Taguas consists of 15 mining concessions over an area of 3,273.87 ha. It is located in the Province of San Juan, Argentina, on the eastern flank of the Andes, between 3,500 m to 4,300 m above sea level. The Property is approximately 25km north of Barrick Gold Corp.'s Veladero mining operations.

Pursuant to Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions ("MI 61-101"), entering into the Purchase Agreement with the Vendor is a "related party transaction" as the Vendor is indirectly owned by Orvana's 51.9% shareholder. The Company is exempt from the requirements to obtain a formal valuation or minority shareholder approval in connection with the Transaction contemplated by the Purchase Agreement by virtue of sections 5.5(a) and 5.7(a), respectively, of MI 61-101, as neither the fair market value of the subject matter of the Purchase Agreement, nor the fair market value of the consideration for the Property exceeds 25% of the Company's market capitalization as calculated in accordance with MI 61-101. The Purchase Agreement was considered and unanimously approved by the board of directors of the Company. Ms. Sara Magner abstained from voting on this matter.

The Toronto Stock Exchange ("TSX") has provided conditional acceptance of Orvana's notice of the Transaction, pursuant to the TSX Company Manual. Closing of the Transaction is subject to the final acceptance of the TSX and a number of closing conditions including, without limitation, completion of satisfactory due diligence by Orvana.

Juan Gavidia, CEO of Orvana stated, "The Company is pleased to add the Taguas property as its potential third operation to target growth of our mineral reserves and resources. Taguas is an advanced exploration property with an engineering program being developed. We expect to deliver a NI 43-101 preliminary economic assessment report on Taguas, within the third quarter, which will highlight its current value, as well as its potential upside."

About Orvana Minerals Orvana is a multi-mine gold-copper-silver company. Orvana's operating assets consist of the producing El Valle and Carlés gold-copper-silver mines in northern Spain and the producing Don Mario gold-silver operations in Bolivia. Additional information is available at Orvana's website (www.orvana.com).

Cautionary Statements - Forward-Looking Information
Certain statements in this information 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.

The forward-looking statements herein relate to, among other things, Orvana's ability to achieve improvement in free cash flow; the potential to extend the mine life of El Valle and Don Mario beyond their current life-of-mine estimates including specifically, but not limited to in the case of Don Mario, the mining of the Cerro Felix deposit, the processing of the mineral stockpiles (including the implementation of the SART circuit) and the reprocessing of the tailings material; Orvana's ability to optimize its assets to deliver shareholder value; the Company's ability to optimize productivity at Don Mario and El Valle; estimates of future production, operating costs and capital expenditures; mineral resource and reserve estimates; statements and information regarding future feasibility studies and their results; future transactions; future metal prices; the ability to achieve additional growth and geographic diversification, including without limitation, the ability to complete the acquisition of Taguas; 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 the Company as of the date of such statements, are inherently subject to significant business, economic and competitive uncertainties and contingencies. The estimates and assumptions of the Company contained or incorporated by reference in this information, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein and in Orvana's most recently filed Management's Discussion & Analysis and Annual Information Form in respect of the Company's most recently completed fiscal year (the "Company Disclosures") 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 El Valle and Don Mario 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 continue to operate the El Valle and/or Don Mario and/or ability to resume long-term operations at the Carlés Mine; the Company's ability to successfully implement the SART circuit to process the current oxides stockpiles at Don Mario; the Company's ability to acquire and develop mineral properties and to successfully integrate such acquisitions; the Company's ability to execute on its strategy; 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 the Company's disclosures. 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 Disclosures for a description of additional risk factors.

Any forward-looking statements made in this information with respect to the anticipated development and exploration of the Company's mineral projects are intended to provide an overview of management's expectations with respect to certain future activities of the Company and may not be appropriate for other purposes.

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.

The forward-looking statements made in this information are intended to provide an overview of management's expectations with respect to certain future operating activities of the Company and may not be appropriate for other purposes.

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