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**ORVANA REPORTS 2018 RECORD PRODUCTION, PROVIDES FISCAL YEAR-END FINANCIAL RESULTS, REPORTS 2018 REVISED GUIDANCE MET, PROVIDES 2019 GUIDANCE**

**All Amounts in US Dollars Unless Otherwise Stated**

**Fiscal 2018 Achievements:**

- Record gold production of 103,384 ounces, 14% increase from 90,292 ounces in previous year. Very satisfactory performance was the result of:
  - Much improved mining rates for higher-grade oxides ore due to investments in fleet, crews' skills and general underground infrastructure at El Valle; and
  - Improved recoveries from the CIL circuit, investment in mining fleet, and full production now underway at new Cerro Felix open pit at Don Mario complex.
- COC and AISC of \$1,021 and \$1,259, compared to \$1,015 and \$1,269 for fiscal 2017. Achieved lower range of revised guidance.
- EBITDA of \$13.8 million.
- Revenue of \$145.8 million.
- Cash balance of \$11.6 million as of September 30, 2018.

**Fiscal 2019 Outlook:**

- At El Valle, continued feed of higher-grade oxides ore processed, to sustain recently achieved gold production levels.
- At Don Mario, steady ore production from Cerro Felix open pit to repeat another positive annual outcome. Also, development of new processing circuit to treat oxides stockpile to extend Don Mario's life of mine by three years.
- Production guidance for fiscal 2019 in line with fiscal 2018 results, plus a welcomed reduction in unitary costs.
- Orvana to continue improving productivity at both operations, while seeking strategic and transformative transactions to enhance profile.
- Renewed regional exploration programs in Spain and Bolivia have potential to increase reserves and resources at local operations.
- Orvana to replace current Samsung C&T Prepayment Facility with a syndicated credit facility from Spanish financial institutions, through its wholly owned subsidiary OroValle. Replacement liability will provide an extended repayment period at a reduced interest rate.

**TORONTO, ONTARIO, December 21, 2018 – Orvana Minerals Corp. (TSX:ORV) (the “Company” or “Orvana”)** announced today financial and operational results for the fourth quarter (“Q4 2018”) and for the fiscal year ended September 30, 2018 (“Fiscal 2018”). The Company is also providing financial and operational updates for its El Valle and Carlés Mines (collectively, “El Valle”) operations in northern Spain and for its Don Mario Mine operations in Bolivia.

The audited consolidated financial statements for Fiscal 2018 (“2018 Financials”) and Management's Discussion and Analysis related thereto (“2018 MD&A”) are available on SEDAR and on the Company's website at [www.orvana.com](http://www.orvana.com).

**The Company is pleased to report the following positive developments in Fiscal 2018:**

- **El Valle – Delivers 13% higher gold production:** Oxides ore mining productivity enhancements allowed for 27% higher-grade ore throughput, thus better annual gold output and reduced unitary costs. Mechanical advance rates in oxides areas continued to improve greatly, increasing by 82% to 6,861 metres, versus 3,761 metres in previous year.

- **Don Mario – Delivers 16% higher gold production:** Open pit mining transitioned from LMZ to Cerro Felix. Mine tonnage increased by 19% to 856K compared to 719K the year before, supported by investment in heavy equipment throughout the year. CIL circuit recovery results exceeded expectations due to better ore quality and process fine tuning by plant's personnel. Better mining tonnage and metallurgical recovery allowed gold production increase to 45K oz, compared to 39K in fiscal 2017. Throughout the year, the Company has been evaluating alternatives to treat its oxides stockpiles. Underway tests show optimal oxides stockpile metallurgy by combining a Sulphidization Acidification Thickening Recycling process ("SART"), with heap leaching, and a Carbon-in-Column (CIC) circuit.

Juan Gavidia, CEO of Orvana Minerals stated: *"We have achieved a number of key operational successes that ensure the sustainability of Orvana as a 100,000 oz plus gold producer. Our Spanish and Bolivian teams, supported by prudent capital investments and renewed technical talent, have worked diligently on mining efficiencies to ensure increased production and productivities. Our AISC will continue to be a hard core target in Fiscal 2019, with improvement opportunities expected to come from continued higher-grade ore at El Valle, as well as increased recoveries and operational productivity at both sites."* Mr. Gavidia further stated: *"At El Valle, we made excellent strides on mechanical advance, mastering the challenging higher-grade oxides areas. While, at Don Mario, plant recoveries continued to exceed expectations, being at 92% by Fiscal 2018 year-end. With the transition to Cerro Felix pit now completed, Don Mario unitary costs have stabilized to former lower levels. Both, El Valle and Don Mario are also enhancing their regional exploration drives to fulfill Orvana's strategic growth."*

### **Strategy and Outlook for Fiscal 2019**

The Company continues to pursue its objectives of optimizing production, lowering unitary costs, maximizing free cash flow, and extending life-of-mine of operations while increasing their output. It continues to seek strategic and transformative transactions to enhance its profile and longevity, including the review of other potential exploration projects, mainly focused in South America, which could be aligned with the Company's strategy of adding to reserves and resources.

At El Valle, the primary objective is to continue increasing higher-grade oxides mining. For that purpose the Company is conducting additional geological and geotechnical work, to increase mining and mine plan reliability.

At Don Mario, ore will continue to be sourced from Cerro Felix pit and processed at the higher recovery rate achieved the previous year. Next focus is the processing of the oxides stockpile, which will potentially provide a three-year life of mine extension. The metallurgical solution goes through the development of a SART circuit which is in the process of review for engineering and project financing purposes.

### **New Credit Facility**

In August 2016, Orvana entered into a \$12.5M copper concentrates and gold doré Prepayment Facility with Samsung C&T. Proceeds of this Facility were used for mine development and infrastructure upgrades at El Valle, both, contributors to present good operational performance. Principal outstanding was \$9.118 million at the end of Fiscal 2018.

The Company has been evaluating alternatives to replace the Samsung Facility in order to extend the repayment period and reduce its interest rate. The Company has recently obtained, through its wholly-owned subsidiary OroValle, approval from three Spanish financial institutions to access a syndicated credit facility (the "New Facility") for €6 million. The closing of the New Facility is subject to the concurrent completion of the early repayment of the Samsung Facility, the release of guarantees and collateral pledged in favour of Samsung, and the execution of applicable legal documentation. The Company has an excellent relationship with Samsung C&T, which has been very cooperative throughout the Prepayment Facility, and looks forward to maintaining this after its replacement.

The New Facility will extend the repayment period from one year (Samsung Facility), to four. The close of the New Facility is expected by early 2019. Once closed, the New Facility will provide the Company with improved financial metrics to fulfill its operational strategy.

Fiscal 2019 guidance and Fiscal 2018 results are:

	FY 2018 Guidance <sup>(1)</sup>	FY 2018 Actual	FY 2019 Guidance <sup>(2)</sup>
<b>El Valle Production</b>			
Gold (oz)	55,000 – 62,000	<b>58,259</b>	62,000 – 68,000
Copper (million lbs)	4.9 – 5.3	<b>5.1</b>	3.2 – 3.6
<b>Don Mario Production</b>			
Gold (oz)	45,000 – 48,000	<b>45,125</b>	38,000 – 42,000
Copper (million lbs)	3.1	<b>3.1</b>	-
<b>Total Production</b>			
Gold (oz)	100,000 – 110,000	<b>103,384</b>	100,000 – 110,000
Copper (million lbs)	8.0 – 8.4	<b>8.2</b>	3.2 – 3.6
Total capital expenditures (million \$)	21 – 24	<b>20.3</b>	12 – 13
Cash operating costs (by-product) (\$/oz gold) <sup>(1) (2)</sup>	1,000 – 1,050	<b>1,021</b>	950 – 1,050
All-in sustaining costs (by-product) (\$/oz gold) <sup>(1) (2)</sup>	1,250 – 1,300	<b>1,259</b>	1,150 – 1,250

(1) FY 2018 Revised Guidance assumptions for COC and AISC include by-product commodity prices of \$2.75 per pound of copper and an average Euro to US Dollar exchange of 1.18 in the fourth quarter of fiscal 2018.

(2) FY 2019 guidance assumptions for COC and AISC include by-product commodity prices of \$2.75 per pound of copper and an average Euro to US Dollar exchange of 1.16.

### Selected Operational and Financial Information

	Q4 2018	Q3 2018	Q4 2017	FY 2018	FY 2017
<b>Operating Performance</b>					
<i>Gold</i>					
Grade (g/t)	<b>2.72</b>	2.62	2.62	<b>2.61</b>	2.41
Recovery (%)	<b>92.3</b>	92.0	90.3	<b>91.7</b>	84.7
Production (oz)	<b>28,661</b>	26,761	27,666	<b>103,384</b>	90,292
Sales (oz)	<b>28,044</b>	26,490	29,639	<b>102,018</b>	88,636
Average realized price (\$/oz)	<b>1,208</b>	1,298	1,268	<b>1,273</b>	1,258
<i>Copper</i>					
Grade (%)	<b>0.51</b>	0.51	0.64	<b>0.60</b>	0.70
Recovery (%)	<b>81.6</b>	81.6	69.9	<b>65.9</b>	65.4
Production ('000 lbs)	<b>1,291</b>	1,575	3,601	<b>8,233</b>	13,893
Sales ('000 lbs)	<b>1,231</b>	2,225	3,850	<b>8,687</b>	14,686
Average realized price (\$/lb)	<b>2.81</b>	3.11	2.74	<b>2.89</b>	2.50
<b>Financial Performance (in '000 \$, except per share)</b>					
Revenue	<b>36,298</b>	38,438	46,156	<b>145,836</b>	137,999
Mining costs	<b>30,632</b>	31,729	34,562	<b>120,946</b>	116,370
Gross margin	<b>3,019</b>	73	3,274	<b>3,156</b>	(5,480)
Net loss	<b>(1,231)</b>	(2,982)	(1,722)	<b>(11,097)</b>	(15,555)
Net loss per share (basic/diluted) (\$)	<b>(0.01)</b>	(0.02)	(0.01)	<b>(0.08)</b>	(0.11)
EBITDA	<b>1,165</b>	3,930	10,313	<b>13,750</b>	16,535
Operating cashflow bef. non-cash w/c changes	<b>3,049</b>	4,282	8,596	<b>11,864</b>	11,914
Operating cashflow	<b>1,129</b>	4,010	12,329	<b>1,800</b>	20,726
Ending cash and cash equivalents	<b>11,634</b>	13,484	23,811	<b>11,634</b>	23,811
Capital expenditures	<b>3,051</b>	5,618	5,818	<b>20,338</b>	21,332
Cash operating costs (by-product) (\$/oz gold)	<b>1,003</b>	1,027	902	<b>1,021</b>	1,015
All-in sustaining costs (by-product) (\$/oz gold)	<b>1,187</b>	1,291	1,145	<b>1,259</b>	1,269

- Earnings before interest, taxes, depreciation and amortization ("EBITDA"), cash operating costs and all-in sustaining costs are non-IFRS performance measures.
- Capital expenditures are presented in the consolidated cash flows in the Audited Financials on a cash basis.

**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](http://www.orvana.com)).

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#### **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; future financial performance, including the ability to increase cash flow and profits; future financing requirements; mine development plans; and closing the New Facility..*

*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; labour and materials costs increasing on a basis consistent with Orvana's current expectations; and closing the New Facility.*

*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.*