

anvil mining

News Release

TSX, ASX: AVM

FOR IMMEDIATE RELEASE June 6, 2011 **Common shares outstanding 157.6** All amounts are expressed in US dollars, unless otherwise stated.

Anvil's Kinsevere Mine Produces 1,353 tonnes of Copper Cathode in first month of production.

Montréal, Canada: Anvil Mining Limited (TSX, ASX: AVM), ("Anvil" or the "Company") is pleased to provide an update on the commissioning and ramp-up of the Kinsevere Stage II project located in the Katanga Province of the Democratic Republic of Congo ("DRC"). Kinsevere Stage II is a \$400 million expansion project, in which the Company has a 95% indirect equity interest, designed to produce 60,000 tonnes of LME grade cathode copper per year.

Darryll Castle, President and CEO commented: "The pleasing progress with commissioning and the speed with which it has been possible to get significant copper into solution in all plant circuits is a reflection of the quality and balance of the engineering design, as well as the quality of the equipment and materials used in construction. The efforts of the commissioning team have been instrumental in the early success of the ramp-up phase. In addition, it is pleasing to note that redesign work has been negligible."

After commencing production of copper cathode from the Kinsevere Stage II expansion on May 4, 2011, total production for the 28 days through to the end of the month was 1,353 tonnes of copper cathode, which exceeded internal expectations. Most importantly, the Company is pleased to announce that all provisional copper cathode assays received from an independent laboratory since the start of production confirm that all metal produced conforms to LME Grade A specifications. The Company will be seeking LME registration for its Kinsevere cathode.

Commissioning of the crushing and grinding circuits commenced on April 28 and steady state operations were achieved with these circuits extremely quickly and at slightly above the design throughput of 200 dry tonnes per hour. During the month of May, the grinding circuit was fed from stockpiled ore averaging approximately 2.8% AsCu (acid soluble copper), this being within the budget range selected for the commissioning and ramp-up. Over time, the grade of ore delivered to the plant will be steadily increased to design of 4.0% AsCu, in parallel with improving operational efficiencies as the plant progresses through the various ramp-up and optimization phases.

The leaching circuit, comprising three large stainless steel agitated leach tanks, has operated at the design flows as produced from the grinding circuit. Process flow analyses have shown

Perth Office		Montréal Office		
Level 1, 76 Hasler Road Herdsman Business Park Osborne Park 6017 Western Australia	Tel: +61 8 9481 4700 Fax: +61 8 9201 0125 anvil@anvilmining.com ASX/TSX:AVM	1 Place Ville-Marie Suite 2001 Montréal, Québec Canada, H3B 2C4	people	mine
			explore	grow
	www.anvilmining.com	Tel: +1 514 448 6664 Fax: +1 514 448 6665	develop	sustain



very good leach kinetics with greater than 30% of the copper leaching in the SAG mill as a result of the milling-in-raffinate approach, which is above design levels.

The full complement of six post-leaching thickeners and wash circuit thickeners have been operating throughout the whole commissioning process. The PLS (Pregnant Liquor Solution) grades produced from the leach circuit have achieved design levels during the commissioning phase.

The Solvent Extraction ("SX") circuit comprises two modules; a Low-Grade SX module and a High-Grade SX module. The Low-Grade SX module was commissioned in late April and, to date, approximately 1,700 tonnes of copper has been transferred to this module.

The Electro-winning ("EW") circuit also comprises two modules; Tank-house 1 and Tank-house 2. Tank-house 1 began producing copper cathodes on May 4 with one third of the cathodes loaded up.

Tank-house 2 construction installation was completed on May 30, with the load-up of the first one-third of cathodes completed on May 31. The rectifiers for this module will be energised in early June, at which time copper plating will commence. The remaining cathodes are currently being progressively loaded and this is expected to be completed by mid-June. All solution ponds have been completed and are in use and all reagent services are fully operational and functioning to design capacity. The tailings storage facility is fully operational.

With the crushing, grinding, leaching, CCD thickener, SX circuits and EW Tank-house 1 now all operational, over 95% of the Stage II plant is now under the control of the Company's operating personnel. The heap leach operation, that supplied the early copper units, continues to be cycled on and off as required and in the coming weeks will be operating at full flows. The heap leach operation is a site-based project implemented to supply extra copper units to augment the Kinsevere Stage II leach facility.

Training carried out by the site-based training department, leading up to the commencement of operations, has paid dividends with the strong safety and operational performance during the first month of commissioning. The focus now is to have the construction teams complete the punch-list items, attend to the usual commissioning issues associated with a plant of this size and complexity, and for the Company to begin to focus on operational optimization so that design capacity of 5,000 tonnes of copper cathodes per month can be achieved while maintaining the high level of safety performance. The results with the commissioning and ramp-up process to date have been very encouraging.

2011 Production Guidance & Second Half Cost Estimate

The Company expects to produce 36,000-38,000 tonnes of copper (as copper cathodes and copper in concentrate) for the full year 2011. It is anticipated that operation of the Stage I Heavy Media Separation plant will shut down at the end of June 2011.

The estimated cash unit cost of production, excluding royalties, during the commissioning and ramp-up period through to the end of the fourth quarter is expected to be in the range of \$1.10-\$1.25/lb Cu. These cost guidance numbers are dependent on throughput volumes, which in turn will be dependent on the progress through the ramp-up phase to full-scale production. It is expected that the unit costs will improve in 2012 when the plant is expected to be operating at full design capacity and fully optimized.



March Quarter 2011 Results Conference Call and Webcast

The Company will will release its first quarter 2011 financial results for the period ended March 31, 2011 prior to TSX opening market on Thursday June 9, 2011 and a conference call will be held at 8:30 a.m. (Toronto time) on Thursday June 9, 2011 coinciding with 8:30 p.m. (AWST – Australia, Perth time) on the same day to discuss these results.

The details to access the conference call and the live audio webcast are as follows:

Conference call:

(Please call approximately five minutes prior to the scheduled start of the call).

- Toll-free within North America: 1-888-231-8191
- For local and overseas calling: 1-647-427-7450

Live audio webcast of the conference call (listen mode only):

• **CNW Group** website at:

http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=3378540 (English) http://www.cnw.ca/fr/webcast/viewEvent.cgi?eventID=3378540 (French)

Replay Information (available for a period of 7 days):

The conference call will be recorded and a playback of the call will be available after the event by dialling:

Toll Free: 1-800-642-1687

Local: 416-849-0833, 514-807-9274, 613-667-0035, 403-451-9481, 778-371-8506 or 902-455-3955.

Conference ID/Password number: 38509764 followed by the pound (#) key.

Anvil Mining Limited is a copper producer whose shares are traded on the Toronto Stock Exchange (as Common Shares) and the Australian Securities Exchange (as CDIs) under the symbol AVM.

For further information, please contact:

Philippe Monier Vice President Corporate & CFO Tel: +61 (8) 9481 4700 Email: <u>philippem@anvilmining.com</u> (Perth) **Robert La Vallière** Vice President Corporate Affairs Tel: (Office) +1 (514) 448 6664, (Cell) +1 (514) 944 9036 Email: <u>robertl@anvilmining.com</u> (Montréal)

Website: www.anvilmining.com

Caution Regarding Forward Looking Statements:

This news release contains "forward-looking statements" and "forward-looking information", based on assumptions and judgments of management regarding future events and results. Such "forward-looking statements" and "forward-looking information" which may include, but are not limited to the operation of the Kinsevere HMS plant, the financing of the development of Kinsevere Stage II, the completion of construction works on Kinsevere Stage II and the commissioning, ramp-up and operation of Kinsevere Stage II, including operating unit costs, and the Group's plans for future expansions of the Kinsevere copper mine and exploration activities. Many of these assumptions are based on factors and events that are not within the control of Anvil and there is no assurance they will prove to be correct. Often, but not always, "forward-



looking statements" and "forward-looking information" can be identified by the use of words such as "plans", "expects", "is expected", "is expecting", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes", or variations (including negative variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might", or "will" be taken, occur or be achieved. The purpose of "forward-looking statements" and "forward-looking information" is to provide the reader with information about management's expectations and plans for 2011. Readers are cautioned that "forward-looking information" involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Anvil and/or its "forward-looking information". Such factors include, among others, the actual market price of copper, changes in project parameters as plans continue to be evaluated, and the possibility of cost overruns, as well as those factors disclosed in the Company's filed documents. There can be no assurance that the Stage II expansion of the Kinsevere Stage II copper project will operate as anticipated, or that the Kinsevere Stage I HMS plant will operate in accordance with forecast performance. There can be no assurance that "forward-looking information" will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information" will prove to be accurate, should not place undue reliance on "forward looking information".