

News Release

FOR IMMEDIATE RELEASE

August 18, 2006

All amounts are in US dollars, unless otherwise stated.

TSX, ASX: AVM

Common shares outstanding: 55.5 million*

Anvil Mining Signs an Evaluation and Development Agreement for Mineral Properties of Itogon Suyoc Resources Inc. in the Baguio District of the Philippines

Perth - Anvil Mining Limited (TSX, ASX: AVM) (“Anvil” or “the Company”) is pleased to announce the signing of an Evaluation and Development Agreement with Itogon Suyoc Resources Inc. (“Itogon”), a private Philippines minerals company, for their gold properties in the Baguio District on Luzon Island in the Philippines. The Itogon properties cover an area of 2,896 hectares and are located 12 km to the southeast of Baguio City and approximately 200 km north of Manila, the capital of the Philippines (see Annexure 1). The properties also include the Itogon underground gold mine which, up until it was put on care and maintenance in 1996, produced approximately one million ounces of gold and 400,000 ounces of silver from ore with an average gold grade of 6.9 g/t.

The Baguio District has been the most significant gold producing district in the Philippines with historical production of 28 million ounces of gold and 2.3 million tonnes of copper. It is located within a dilation zone at a change of direction of the Philippine Fault Zone, a major geological feature which transgresses the Philippine archipelago for a distance of more than 1,200 km. A great number of the epithermal gold and porphyry copper deposits in the Philippines appear to be spatially related to this major fault zone. The Philex Mine located 10 km to the southwest of the Itogon properties has historical production of 5 million ounces of gold, 5 million ounces of silver and almost 2 million tonnes of copper.

Anvil can acquire 100% of the Itogon mineral properties by completing a staged evaluation process, which includes the following terms and conditions:

- Anvil will make a cash payment of \$120,000 upon signature of the agreement and will subsequently carry out a due diligence evaluation within a four-month period;
- Should Anvil elect to proceed with detailed evaluation of the properties, the Company will make a cash payment of \$2.0 million to Itogon, fund a minimum of \$2.0 million in exploration expenditures and use its best efforts to complete the detailed evaluation within a two year period;
- Following the detailed evaluation, Anvil will use its best efforts to complete a feasibility study within a period of two years; and
- Anvil will make a cash payment of \$500,000 upon transfer of Itogon’s mineral properties to Anvil.

Bill Turner, President and CEO of Anvil commented, “We have been assessing the possibility of extending our exploration and development activities beyond the Democratic Republic of Congo for the last two years. The Itogon properties fit very well with our objectives of geographic diversification and moderate diversification into other metals. While we intend to keep copper production in the DRC as our primary focus, we feel that gold is a good fit with our copper and silver production, given the very positive outlook for gold. This agreement also allows the Company to develop these properties in conjunction with other partners.”

Attorney Ignacio Ortigas, President of Itogon Suyoc Resources Inc., added, “We are very pleased to have Anvil’s technical support in the initial assessment phase on our Baguio District gold properties. With Anvil’s demonstrated technical and financial capability and our in-country technical expertise and local area support, we are now optimistic about the outlook for these properties”.

Anvil Mining Limited is an unhedged copper and silver producer whose shares are listed for trading on the Toronto Stock Exchange and the Australian Stock Exchange under the symbol AVM. The Company owns and operates the Dikulushi copper-silver mine and the Kulu copper tailings operation in the Katanga Province of the DRC and is in construction at Kinsevere, the Company’s third mine development in the DRC.

** One common share on the Canadian share register is equivalent to 10 CDIs (CHESS Depository Instruments) on the Australian share register.*

Scientific and Technical Information: *The qualified person that has reviewed the scientific and technical information in this news release is Bill Turner (B.Sc., M.Sc., M.B.A., F.Aus.I.M.M.) who is a Fellow of the Australasian Institute of Mining and Metallurgy.*

Caution Regarding Forward Looking Statements: *The forward-looking statements made in this news release are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements, including but not limited to those with respect to the exploration and evaluation work to be conducted on the Itogon properties in the Philippines, known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of gold and copper, the actual results of future exploration, the actual results of future development activities, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company’s filed documents.*

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Annexure 1:

Location of Itogon Mineral Properties, Baguio District, Luzon Island, Philippines.

