

## News Release

FOR IMMEDIATE RELEASE

January 10, 2007

TSX, ASX: AVM

Common shares outstanding 56.7 million\*

All amounts are expressed in US dollars, unless otherwise stated.

### **Anvil to Move to 95% Interest in Kinsevere-Nambulwa Copper-Cobalt Joint Venture**

**Montréal, Canada: Anvil Mining Limited (TSX, ASX: AVM)** (“Anvil”) is pleased to announce it has entered into an agreement to acquire an additional 15% interest in the mining rights for the Kinsevere-Nambulwa copper-cobalt deposits located 27km north of Lubumbashi, the provincial capital of the Katanga Province of the Democratic Republic of the Congo (“DRC”). The additional interest will be acquired from Mining Company Katanga s.p.r.l. (“MCK”), a private DRC company that is Anvil’s joint venture partner in the Kinsevere-Nambulwa project. Anvil’s interest in the Kinsevere-Nambulwa Joint Venture will increase from 80% to 95% on closing of this transaction.

#### **Terms of the agreement**

Under the terms of the agreement, Anvil will pay a total of \$45 million in cash and common shares for this additional 15% interest in the project, taking its interest in the joint venture to 95%. The agreement provides for Anvil to make payments of \$10 million in cash upon the signing of the agreement, \$26 million in cash at closing, and \$9 million in common shares of Anvil Mining Limited. An aggregate of 872,093 common shares will be issued on closing at a price of US\$10.32 per share. When issued, the common shares will be subject to a four-month hold period in accordance with Canadian securities regulations.

Completion of the transaction is subject to entering into a definitive agreement, approval by Anvil’s Board of Directors and receipt of regulatory approvals, including the approval of the TSX.

“This is the second time in less than 6 months that we have acquired a further interest in the Kinsevere-Nambulwa copper-cobalt Joint Venture. This acquisition is consistent with our positive outlook for this project, and our expectation that this will be a large, long-term mining and downstream processing operation,” commented Bill Turner, President and CEO of Anvil Mining.

As reported by the Company in November 2005, an exclusive “*Contrat d’Amodiation*” (Lease Agreement) was signed between MCK and La Générale des Carrières et des Mines (“Gécamines”) for a period of 25 years, to mine and process ore from the Kinsevere and Nambulwa copper-cobalt deposits. The Lease Agreement was signed under the new DRC Mining Code introduced in 2003.

The joint venture over the Kinsevere-Nambulwa project is held by a local company in the DRC, AMCK s.p.r.l. (“AMCK”). AMCK is an incorporated joint venture company between Anvil and MCK and is the operating company for the joint venture. Anvil’s interest in AMCK, and therefore Anvil’s interest in the Lease Agreement, will increase from 80% to 95% on closing of this

transaction, expected to occur later in the first quarter of 2007. All other terms and conditions of the joint venture with MCK will remain in full force and effect.

### **Resource Drilling**

The first Mineral Resource estimate for the Kinsevere Project was announced in November 2005, based on a Phase 1 drilling program of 7,889 metres carried out on Tshifufia, Tshifufiamashi and Kinsevere Hill deposits. The 2006 Phase 2 drilling program, which focussed entirely on the Tshifufia deposit, totalled 17,220 metres and resulted in the discovery of a much thicker copper-mineralized zone at Tshifufia than expected. On January 9, 2007 the Company announced a revised Mineral Resource estimate which included the results of the 2006 Phase 2 drilling program. The Measured and Indicated Mineral Resource estimate at the Tshifufia deposit now stands at 16.9 million tonnes at 4.4% Cu for 752,200 tonnes of contained copper, which represents a 770% increase to the previous Indicated oxide resource base at the Tshifufia deposit alone, and a 450% increase for the Kinsevere Project as a whole. Furthermore, the average grade of the Measured and Indicated oxide resource at the Tshifufia deposit has increased to 4.4% copper, up from 3.8% copper for the Indicated oxide resource from the 2005 drilling.

In addition to drill testing the oxide copper resources at the Tshifufia deposit, the underlying sulphide mineralization was also drill tested. An Inferred Mineral Resource of 15.3 million tonnes at 2.9% Cu for 436,700 tonnes of contained copper has been defined from the eight holes drilled into sulphides, to date.

Phase 2 drilling on the neighboring Tshifufiamashi and Kinsevere Hill deposits will be undertaken in 2007, along with initial drilling on the Nambulwa deposit (located 30km north of Kinsevere).

### **Staged Mine Development Program**

In May 2006, following completion of a feasibility study, Anvil committed to a \$35 million Stage I development at Kinsevere, which is due for commissioning during the second quarter of 2007. The Stage I development, which comprises a Heavy Media Separation Plant and Electric-Arc Furnace is expected to produce approximately 23,000-25,000 tonnes per annum of "black copper" ingots assaying 90%-95% copper.

The Phase 2 drilling results from the Tshifufia deposit have exceeded expectations and, due to the size of the latest Mineral Resource estimate and the significant further potential that now exists, the scale of the planned Stage II SX-EW plant, which is currently the subject of a feasibility study, has doubled from 30,000 to 60,000 tonnes per annum of SX-EW copper. The Stage II feasibility study is expected to be completed during the second quarter of 2007.

Anvil Mining Limited is an unhedged copper and silver producer whose shares are listed for trading on the Toronto Stock Exchange (as common shares) and the Australian Stock Exchange (as CDIs) under the symbol AVM. It owns and operates the Dikulushi copper-silver mine and the Kulu coarse rejects/tailings operation in Katanga Province of the DRC. In addition, the Company is currently developing the Kinsevere Stage I copper-cobalt project, which will be the Company's third mine development in the DRC.

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

***Additional Note:** The information in this news release that relates to in-situ Mineral Resources is based on information compiled by Gerry Fahey of FinOre Pty Ltd. Gerry Fahey is a Chartered Professional and a member of the Australasian Institute of Mining and Metallurgy, and a member of the Australian Institute of Geoscientists, and has sufficient experience, which is relevant to the style of mineralization and type of deposit under consideration, and to the activity he is undertaking, to qualify as a Qualified Person in terms of the Canadian National Instrument 43-101. Gerry Fahey consents to the inclusion of such information in this news release in the form and context in which it appears.*

***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 current and future developments of the Kinsevere mine and estimated future production levels for Stages I and II, involve 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 copper and cobalt, the actual results of current exploration, the actual results of future mining, processing, construction and development activities, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Company's filed documents.*