ANNUAL INFORMATION FORM

FOR
FINANCIAL YEAR ENDED DECEMBER 31, 2008

MARCH 31, 2009

TABLE OF CONTENTS

All amounts are in US dollars, unless otherwise stated. References to "C$" and "A$" are references to Canadian dollars and Australian dollars, respectively.

CORPORATE STRUCTURE

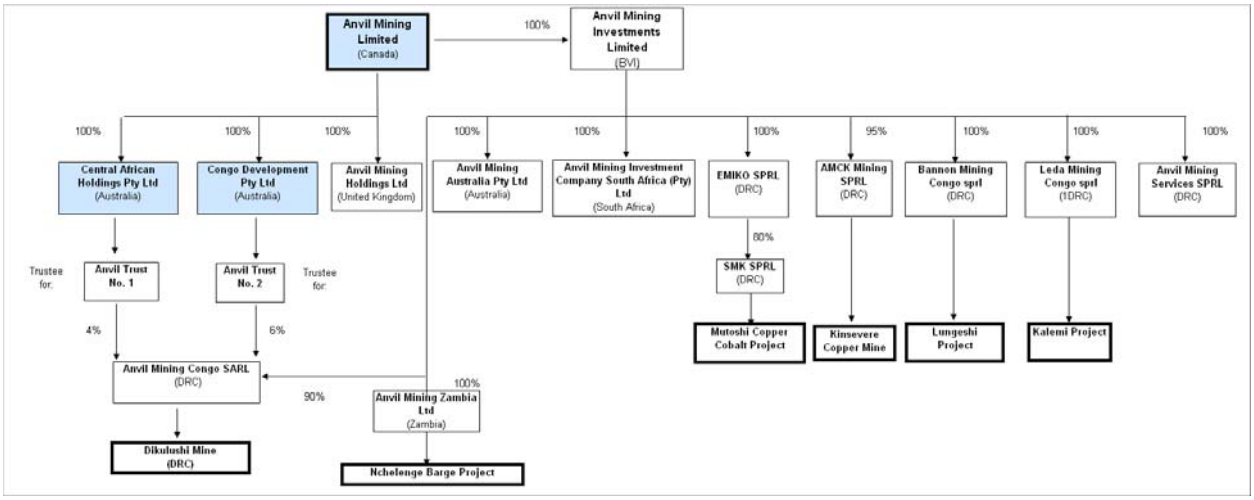
Name, Address and Incorporation

Anvil Mining Limited (the "Company") was incorporated pursuant to the *Business Corporations Act* (Northwest Territories) under the name Dikulushi Resources Limited on January 8, 2004. The Company changed its name to Anvil Mining Limited on March 12, 2004.

The Company's corporate head office is located at Level 1, 76 Hasler Road, Herdsman Business Park, Osborne Park, Western Australia, 6017. Subsidiaries of the Company also have offices at 7409 Avenue de la Révolution, Lubumbashi, Democratic Republic of Congo ("DRC"). The Company's registered and records office is located at 4908 – 49th Street, Yellowknife, Northwest Territories, Canada X1A 2N6.

Intercorporate Relationships

The diagram below illustrates the corporate structure of the Company and its material subsidiaries (the "AVM Group") and the jurisdiction of incorporation of such subsidiaries:



In the diagram above, and elsewhere in this document, "AMC" refers to Anvil Mining Congo SARL, "EMIKO SPRL" or "EMIKO" refers to L'Entreprise Minière de Kolwezi SPRL, "SMK SPRL" or "SMK" refers to Société Minière de Kolwezi SPRL and AMCK refers to AMCK Mining SPRL.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Certain information in this annual information form, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information includes, but is not limited to, information which reflect management's expectations regarding Anvil's future growth, results of operations (including, without limitation, future production and capital expenditures), performance (both operational and financial) and business prospects (including the timing and development of new deposits and the success of exploration activities) and opportunities. Often, this information includes words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate" or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

In making and providing the forward-looking information included in this annual information form, the Company has made numerous assumptions. These assumptions include, among other things, assumptions about the price of copper, anticipated costs and expenditures, the availability of credit, future production and recovery, that the supply and demand for copper develops as expected, that there is no unanticipated fluctuation in interest rates and foreign

exchange rates and that there is no further material deterioration in general economic conditions. Although management believes that the assumptions made and the expectations represented by such information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors that may cause the Company's actual results, performance or achievements, or industry results, to be materially different from future results, performance or achievements expressed or implied by such forward-looking information. Such risks, uncertainties and other factors include, among other things the following: the speculative nature of mineral exploration, development, mining and processing, political stability, liquidity concerns and future financings, logistics, lack of infrastructure, uninsurable risks, mineral resources and mineral reserves, uncertainty relating to inferred mineral resources, mine life, Dikulushi and Mutoshi Mines on care and maintenance, risks related to licences, permits and government regulations, environmental risks and hazards, land title, foreign operations, limited operating history, volatility of metal prices, key personnel, health risks, labour and employment matters, subsidiaries, currency risk, credit risk, competition, dilution and dividend policy.

This annual information form and the Company's quarterly and annual management's discussion and analysis contain additional information on risks, uncertainties and other factors relating to the forward-looking information. Although the Company has attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking information, there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Also, many of the factors are beyond the Company's control. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to reissue or update forward-looking information as a result of new information or events after the date of this short form prospectus except as may be required by law. All forward-looking information disclosed in this document is qualified by this cautionary statement.

Additional information about the Company and its business activities is available under the Company's profile on SEDAR at www.sedar.com.

GENERAL DEVELOPMENT OF THE BUSINESS

Three Year History

The AVM Group is an international base and precious metals mining and exploration group. Its principal assets comprise (i) a 95% equity interest in the Kinsevere copper mine (the "Kinsevere mine"); (ii) a 90% equity interest in the Dikulushi copper/silver mine (the "Dikulushi mine") in the DRC; (iii) an 80% equity interest in the Mutoshi copper / cobalt project, including the Mutoshi mine in the DRC; and (iv) interests in a number of exploration properties in the DRC, Zambia and the Philippines.

Kinsevere

In November 2004, the Company entered into a joint venture agreement with Mining Company Katanga SPRL ("MCK") to carry out feasibility study work on the Kinsevere-Nambulwa copper-cobalt deposits in Katanga province of the DRC, owned by La Générale des Carrières et des Mines ("Gécamines"). Following a drilling program during 2005 and the completion of a resource estimate, the Company announced, during the fourth quarter of 2005, the finalisation of the 25 year Mining Lease Agreement of the mining rights over the Kinsevere-Nambulwa mining tenements for a total purchase price of $2.3 million plus a royalty calculated based on production of copper and cobalt (see "The Kinsevere mine – Description and Location"). Commercial production at the Kinsevere mine commenced in June 2007.

Key events in the past three years have included:

- In May 2006, the board of directors of the Company approved the $35 million Stage I development of the Kinsevere copper deposits following the completion of a feasibility study. The Stage I development comprises the construction of a crushing circuit and Heavy Media Separation ("HMS") plant and an Electric-Arc Furnace ("EAF") to process the concentrates from the HMS plant.

- In September 2006, the Company completed its acquisition of an additional 10% interest in the mining rights for the Kinsevere-Nambulwa copper-cobalt deposits. The total amount paid by the Company for this additional interest was $14 million.

- In December 2006, the Company entered into an agreement to acquire an additional 15% interest in the mining rights for the Kinsevere-Nambulwa copper-cobalt deposits. Under the terms of the agreement, in March 2007, the Company paid a total of $45 million in cash and common shares for this additional 15% interest in the mine, taking its interest in the joint venture to 95%.

- Mining of ore and waste at Kinsevere commenced in December 2006 and the HMS plant was commissioned in June 2007 with the energisation of the new 27 kilometre 120KV transmission line which connects the Kinsevere mine to the DRC national hydro-electric grid occurring in February 2008.

- In early January 2007, following completion of the 2006 Phase 2 drilling program of 17,220 metres, the Company released an updated Mineral Resource estimate for the Kinsevere project comprised of a Measured and Indicated Resource of 20.9 million tonnes, grading 4.3% copper for 865,300 tonnes of copper metal and an Inferred Resource of 20.9 million tonnes, grading 3.4% copper for 716,500 tonnes of copper metal. This represented a significant increase on the previously announced Mineral Resource estimate and as a result, the feasibility study on the Kinsevere Stage II expansion, involving a Solvent Extraction and Electrowinning ("SX-EW") development, was doubled from 30,000 to 60,000 tonnes per annum of copper cathode.

- Following completion of a 41,000 metre drilling program in 2008, a large proportion of which was in-fill drilling, an updated estimate of the Kinsevere Mineral resource found that the Measured and Indicated Mineral Resources in the combined oxide and sulphide portions at December 2008 totalled 29.8 million tonnes at 3.8% copper, representing 1.1 million tonnes of contained copper metal. The Inferred Mineral Resource totalled 14.1 million tonnes at 3.6% Cu, representing an additional 507,000 tonnes of contained copper metal.

- A pre-feasibility study of the Stage II expansion was completed during the second quarter of 2007 and the board of directors approved the construction of the Stage II 60,000 tonnes per year SX-EW plant at the Kinsevere mine at a capital cost of $238 million.

- In February 2008, the Company announced completion of an updated feasibility study for the Stage II expansion at Kinsevere as a result of completion of a 45,370 metre drilling program during 2007 that resulted in an increase of 34% in Measured and Indicated Mineral Resources and a subsequent 32% increase in the Proven and Probable Mineral Reserves. The updated feasibility study increased the construction cost estimate to $298 million. In May 2008, the construction cost estimate was further revised to $380 million, reflecting detailed design and engineering as well as additional infrastructure at the mine site and general cost escalation that had affected the construction of new projects in the mining sector worldwide.

- The commissioning of the EAF that comprised the final phase of the Stage I development took place in August 2008. Commissioning was delayed by nine months and the Company has continued to experience difficulties with the operation of the EAF, having brought only the first of the two EAFs into production. While a blister copper product from the EAF has consistently met quality expectations, grading between 92% and 94% copper, the EAF has operated below its design capacity of 1,000 tonnes of blister copper per month.

- In November 2008, as a result of a large decline in the copper price, uncertainty regarding the Company's ability to access funding and operational difficulties, the Company placed the Kinsevere Stage II SX-EW development on hold until additional finance becomes available and there is greater certainty in global financial and commodity markets.

- In January 2009, the AVM Group reached agreement with Gécamines and the Government of the DRC on the terms of its Kinsevere Lease Agreement. The major amendments to the Kinsevere Lease Agreement relate to a change in the up-front cash payment from $5 million to $20 million and to royalty payments. Royalty payments are now 2.5% of gross turnover, compared to the previous approach whereby the royalty was paid to Gécamines on a sliding scale, from a floor price of $35 per tonne of copper at a LME copper price of $2,200 per tonne (or $1.00/lb copper) to a ceiling price of $70 per tonne of copper at an LME copper price of $4,000 per tonne (or $1.80/lb copper) on each tonne of commercially viable copper metal extracted at Kinsevere.

The Company remains committed to the development of its Stage II 60,000 tonnes per year SX-EW plant at Kinsevere and is reviewing suitable arrangements under which construction works could recommence as quickly as possible should the necessary funding be secured. As at the date of this AIF, the Company is continuing with efforts to obtain the required funding for recommencement of the development of Kinsevere Stage II. An update of the previously completed technical due diligence report underway, which when completed will form the basis for financiers to seek credit approval for provision of a debt facility to the Company.

Dikulushi

The Dikulushi mine commenced commercial production in October 2002 and reached its annual design production capacity of 14,000 tonnes of copper and 900,000 ounces of silver in early February 2003. Stage II of the Dikulushi mine development plan, consisting of the addition of ball mill and flotation circuits was commissioned in September 2004. Stage II was designed to increase copper and silver production by approximately 50% over Stage I design and produce a higher grade concentrate. A more detailed history of the Dikulushi mine is available on pages 29 to 33.

Key events in the past three years have included:

- In June 2006, following completion of deep drilling below the Dikulushi open pit and a pre-feasibility study for the development of Stage III of the Dikulushi mine (underground mining operation), work on the development of an underground mine commenced.
- In November 2006, following completion of a deep drilling program at Dikulushi, the Company announced an updated Mineral Resource estimate that resulted in a 31% increase in contained copper metal for the Measured and Indicated Mineral Resource categories, and a 114% increase for the Inferred Mineral Resource category, compared to the 2005 year end estimate.
- Open pit mining at Dikulushi ceased in November 2006 with all feed to the plant for 2007 sourced from the Run of Mine ("ROM") stockpile of high-grade ore and stockpiles of low-grade ore.
- Production from the underground mine commenced during the fourth quarter of 2007, however during the second quarter of 2008, the Company determined that the extraction of ore from the underground stopes and the rate of underground development at the Dikulushi Mine was not proceeding as well as was initially expected. The Company determined that the underground mining method should be modified from a Sub-level Caving method to an Avoca cut and fill method. During the period of underground mine development, feed to the plant was sourced primarily from stockpiled low-grade ore, supplemented with ore from the underground mine.
- In December 2008, owing to the low copper price, the Group suspended concentrate production, postponed underground development work and initiated a care and maintenance program at its Dikulushi mine.

Owing to its remote location and costs associated with the development of the underground mine at Dikulushi, the Dikulushi mine is uneconomical in the current copper price environment. While the resource remains open at depth and to the east, underground drilling and development work has ceased and the Company does not anticipate reopening of the Dikulushi mine in the foreseeable future.

Mutoshi[1]

In November 2004, the Company announced that it had entered into an agreement for the acquisition of an effective 70% interest in what is now the Mutoshi mine and mining tenement areas surrounding the former Mutoshi copper-cobalt mine, located in the Kolwezi Region of the DRC, for a total purchase price of US$12.5 million in cash and shares. In January 2005 the Company completed the acquisition of the Mutoshi mine. Mining operations at Mutoshi commenced on September 22, 2005 and the HMS plant, refurbished from the Stage I development at Dikulushi, was commissioned on November 25, 2005.

Key events in the past three years have included:

- Production reached design capacity of 50 tonnes per hour for production of 4,500 – 5,000 tonnes of concentrate per month in May 2006.
- In November 2006, the Company finalised an agreement for the acquisition of an additional 10% interest in Mutoshi; the additional interest acquired through the purchase of the remaining 12.5% interest in EMIKO not held by the Company. Completion of this acquisition took the Company's interest in the joint venture from 70% to 80%.
- Owing to the progressively lower metallurgical recovery from processing finer grained, lower grade material that was encountered further downstream in 2008, mining operations were suspended in September 2008, with feed to the processing plant sourced from existing stockpiled ore. The supply of stockpiled ore was exhausted in December 2008 and the Mutoshi mine was placed on care and maintenance.

A scope drilling program was carried out on the Mutoshi properties during 2008, the objective of which was to outline near-surface oxide copper and cobalt mineralisation, to an extent sufficient to justify development of the Mutoshi Stage II SX-EW plant. Key findings from the scope drilling program were as follows:

- At Mutoshi North, the program has yielded significant copper and cobalt intersections in two mineralised zones within 150 metres of surface.
- Drilling at Mutoshi North-West has returned consistent results, with mineralisation below 40 metres from surface. Strike length is currently 800 metres and down dip width of the mineralisation on average is more than 400 metres with a thickness of 25 to 30 metres. These sections of the deposit are being modelled in order to produce a resource estimate which can then be evaluated to determine if they are economic or not and whether further evaluation is required.
- Potential for near-surface copper mineralisation over an area of 300 metres by 300 metres, with a true thickness of 10 metres at Mulusonoi, located north-east of Mutoshi North-West.
- Cobalt mineralisation seems to be significant in some of the fragments drilled and assays returned have shown attractive, near surface cobalt grades. These assays appear to support a processing operation, producing cobalt in an intermediate form, together with copper cathode.

A Scoping Study was completed during the fourth quarter of 2008, the objective of which was to assess the transition of the Stage I HMS processing of river tailings, to SX-EW processing of copper and cobalt from oxide open pit feed. The Study was supported by grade/tonnage estimates based on the scope drilling database, followed by preliminary mine planning and the financial evaluation of several development scenarios. While the Company's current focus is on the recommencement of the development of Kinsevere Stage II, the Company believes there is potential for a large scale SX-EW processing operation at Mutoshi and will continue to investigate this opportunity during 2009.

[1] The Group has previously referred to its Stage I HMS plant that processes material from the Kulumaziba river tailings deposit as the Kulu mine. This is now referred to as Mutoshi Stage I, being part of the broader Mutoshi project that includes other exploration tenements in the Mutoshi area.

Financing

Development of the Dikulushi Stage I operation, comprised of an open pit and HMS plant was funded through a $5 million project finance facility provided by RMB International (Dublin) Limited ("RMBI"). RMBI also provided project finance funding for the Stage II ball mill and flotation circuit in 2004. In May 2005, the Company obtained approval from the Multilateral Investment Guarantee Agency ("MIGA"), a member of the World Bank Group, for the provision of political risk insurance cover for the Dikulushi mine. Key events in the past three years have included:

- In December 2005 the Company obtained an eighteen-month unsecured loan of C$6 million from its major shareholder at the time, Deans Knight Capital Management Ltd ("Deans Knight"). This loan was repaid in full in March 2006. The Company issued 600,000 two-year warrants with an exercise price of C$6.25 per share to Deans Knight as part of the fee for providing the loan, which were exercised in December 2007.

- In March 2006, the Company completed a bought deal, issuing 23,000,000 common shares at C$6.50 per share, for gross proceeds of C$149,500,000. The net proceeds of the offering have been used primarily for development of the Company's mines in the DRC, working capital and for general corporate purposes.

- In June 2006, the Company obtained a commitment for a two-year $15 million secured facility from Fortis Bank S.A./N.V. ("Fortis") which was in part used in 2006 to repay the existing RMBI facility of $5.5 million.

- In June 2007, the Company completed a bought deal financing, issuing 12,384,615 common shares at a price of C$16.25 per share for total gross proceeds of C$201,249,994. The net proceeds of the offering have been used primarily for development of the Group's mines in the DRC, in particular the Kinsevere Stage II development, working capital and for general corporate purposes.

- During 2008, the AVM Group held extensive discussions with Catala Global Limited and entered into term sheets for a private placement of $296 million, and for a subsequently reduced amount of $237 million. However, due to continued deterioration in market conditions for resource companies during the second half of 2008, the private placement did not proceed.

DRC Government Review of Mining Agreements

During 2007, the AVM Group became aware that a Commission to review mining contracts in the DRC had been established by the DRC Government, however it was not until February 2008 that the Company received formal notification from the Minister of Mines, advising the terms upon which the Government proposed discussions be based on the Dikulushi Mining Convention, the Mutoshi Joint Venture ("JV") Agreement and the Kinsevere "*Contrat d'Amodiation*" (Lease Agreement).

During October 2008, the Company concluded negotiations with Gécamines and the DRC Government on the commercial terms of its Kinsevere Lease Agreement, Mutoshi JV Agreement and the Dikulushi Mining Convention and in January 2009, reached formal agreement with Gécamines and the DRC Government on the terms of its Kinsevere Lease Agreement and the Dikulushi Mining Convention. The Company and Gécamines have signed an amendment agreement for the Kinsevere Lease Agreement and the Company has been formally notified by Gécamines and the DRC Government that the commercial terms and conditions of the Dikulushi Mining Convention remain unchanged.

The major amendments to the Kinsevere Lease Agreement relate to a change in the up-front cash payment from $5 million to $20 million and to royalty payments. Royalty payments are now 2.5% of gross turnover, compared to the previous approach whereby the royalty was paid to Gécamines on a sliding scale, from a floor price of $35 per tonne of copper at a LME copper price of $2,200 per tonne (or $1.00/lb copper) to a ceiling price of $70 per tonne of copper at an LME copper price of $4,000 per tonne (or $1.80/lb copper) on each tonne of commercially viable copper metal extracted at Kinsevere.

Based on the commercial terms agreed with Gécamines and the DRC Government in October 2008, the Company is confident that a satisfactory amended Mutoshi Joint Venture Agreement can be reached with its joint venture partner Gécamines.

Objectives and Strategy

The objective of the AVM Group is to become a mid-tier, profitable producer of base metals by pursuing the following strategies: (i) finalisation of debt funding and recommencement of the development of Kinsevere Stage II; (ii) suspension of non-profitable operations and curtailment of all but essential spending in order to maximise the AVM Group's cash position and best position itself to be able to continue with the development of the Kinsevere Stage II SX-EW plant; (iii) confirmation of the resource potential at Mutoshi; (iv) moving into downstream processing at the Mutoshi mine; and (v) investigating opportunities outside of the DRC in order to provide a balance to the concentration of productive assets within the DRC.

NARRATIVE DESCRIPTION OF THE BUSINESS

Business of the AVM Group

The Kinsevere Mine

The Group holds a beneficial interest of 95% in the Kinsevere operation located in the Katanga province of the DRC. The HMS operation was developed in 2007 and produces an oxide copper concentrate. The first EAF was commissioned in August 2008 to produce blister copper grading 92% - 95% copper. In 2008, the Kinsevere mine produced approximately 22,848 tonnes of copper, of which 820 tonnes was in the form of blister copper, grading 92% to 94% copper.

During 2008, concentrates produced at Kinsevere were sold to a local smelter and sold ex-works to a foreign buyer for export, while blister copper produced at Kinsevere was sold ex-works to international traders.

The Dikulushi Mine

The Group holds a beneficial interest of 90% in the Dikulushi mine, which is located in the Katanga province of the DRC. The operation was developed in 2002 and has produced a sulphide copper concentrate with a silver credit. In 2008, the Dikulushi mine produced 11,047 tonnes of copper and 1,095,801 million ounces of silver contained in concentrates.

Concentrate produced at the Dikulushi mine was transported via barge and road to a smelter in Zambia and to South Africa for shipment offshore for smelting and refining. The flotation concentrate, which is a relatively high-grade concentrate by world standards, averaged approximately 55% copper and 1,200 g/t silver and was transported by road in trucks with a capacity of approximately 37 tonnes each. The concentrate is sampled and assayed on site before export from the DRC and again sampled and assayed on arrival at the smelters.

Title to the concentrate produced at the Dikulushi mine transfers at the time it is delivered to the smelter in Zambia or FOB (Free on Board) Durban or CPT (Carried Paid To) Pretoria. The AVM Group carries the risk up to the ultimate point of delivery at smelter or FOB. The concentrate is sold through off-take contracts for proceeds denominated in United States currency. Payment for the contained metal value occurs in two stages – the first on delivery to the smelter or on FOB, and the second when all the relevant assays have been exchanged.

In December 2008, owing to the low copper price and global economic conditions, the Group initiated a care and maintenance program at its Dikulushi mine and does not anticipate a reopening of the mine in the foreseeable future.

The Mutoshi Mine

The Group holds a beneficial interest of 80% in the Mutoshi tenements located in the Kolwezi region within the Katanga province of the DRC. The Mutoshi Stage I HMS processing operation, which was terminated in December 2008, was developed in 2005 and produced an oxide copper concentrate.

In 2008, the Mutoshi mine produced 7,448 tonnes of copper contained in oxide concentrates.

The concentrates produced at the Mutoshi mine were shipped by rail and sold to a smelter in Zambia; sold ex-works to a local buyer for processing in Lubumbashi, DRC; and sold ex-works to foreign buyers for export.

Logistics

The location of the Dikulushi mine presents a number of challenging logistical issues. The most significant logistical issue is the transportation of the concentrate from the DRC to Zambia across Lake Mweru. This risk was mitigated as a result of the AVM Group building, owning and operating its own barge facility. The barge is used to bring plant, equipment and materials from Zambia into the DRC and to export concentrates out of the DRC. The barge trip across Lake Mweru, a distance of approximately 50 kilometres, takes approximately five hours.

The road connecting the Dikulushi mine to the docking facility on the DRC side of Lake Mweru was previously an unsealed road 54 kilometres long. The AVM Group refurbished this road during the period of construction and early operation of the Dikulushi mine.

The road in Zambia, which heads south from the docking facility at Nchelenge, is a sealed road, which connects to all neighbouring countries to the south. Notwithstanding that the distances to Zambia or Johannesburg in South Africa are considerable (approximately 2,500 kilometres), no significant operational impediments have been experienced to date.

Supply of the majority of required mining spares and consumables originates from within Southern Africa while capital equipment, predominantly for the Kinsevere Stage II development, originates from Australia, Asia, Europe, and Southern Africa. Equipment and material shipped from overseas offloads at Durban in South Africa and is trucked to the DRC site operations thereafter. The Company uses reputable South African trucking companies with the following transit distances and times:

- Ex Durban: approximately 2,900 kilometres and 20 days.
- Ex Johannesburg: approximately 2,100 kilometres and 12 days.

Management of the AVM Group's logistics function is coordinated from the AVM Group's DRC corporate office located in Lubumbashi, the capital city of the Katanga province.

Employees

As of March 1, 2009, the AVM Group employs a total of 355 people, all of whom are direct employees in the DRC and elsewhere in the world.

The Kinsevere mine operated by AMCK employs 190 people.

The Dikulushi mine controlled by AMC employs 51 people.

The Mutoshi mine, controlled by SMK employs 2 people.

A further 112 people are employed in Lubumbashi in the DRC, Nchelenge in Zambia, Osborne Park in Western Australia, Johannesburg in South Africa and Montréal in Canada.

The suspension of construction and fabrication works at Kinsevere Stage II and the placement of Mutoshi and Dikulushi on care and maintenance have resulted in a significant reduction in employee numbers from approximately 2,280 employees in October 2008 to the current level of 355 employees.

Mine Financing

Please see "Three Year History" on pages 5-9 for information on the Company's financing activities.

Democratic Republic of Congo

General

The DRC (formerly Zaïre) is located in west-central Africa and is the third largest country in Africa (2.3 million km^2), similar in size to Western Europe, and with a population of approximately 65 million. The capital of the country is Kinshasa, which is located in the north-west of the country on the Congo River. The Congo River provides extensive access to the interior of the country.

The Kinsevere mine is located in the south-west of the DRC, approximately 30 kilometres north of Lubumbashi, the provincial capital of the Katanga province in the DRC.

The Dikulushi mine is located in the south-east of the DRC in Katanga province and near the eastern border with Zambia. The Dikulushi mine is approximately 1,500 kilometres from Kinshasa and 325 kilometres (direct line distance) from Lubumbashi, the capital of the province of Katanga and regional centre of the Copperbelt in the DRC.

The Mutoshi mine is located in the heart of the famous Congo Copperbelt, in an area known as the Kolwezi Klippe in the Kolwezi Region of the Katanga province in the DRC.

Current Political Situation

Presidential and parliamentary elections, the first elections in 40 years, were held in the DRC on July 30, 2006 under the guidance of the European Union Electoral Observer Mission and the United Nations mission to the DRC ("MONUC"). The first round of elections resulted in Joseph Kabila and Jean Pierre Bemba being identified as the top two preferred candidates for the position of President. As a result, a run-off election was held on October 29, 2006, with Joseph Kabila declared the winner on November 15, 2006, after which he was inaugurated as President in December 2006 and has served as President since that time. Presidential, legislative, provincial and local government elections are next due to be held in 2011.

Economy

The economy of the DRC has historically been dominated by its resource sector. The Congo Copperbelt region of the country, in the southern province of Katanga is renowned as one of the richest mineral regions of the world and until the mid 1980's enabled the country to be one of the largest producers of copper with annual production exceeding 500,000 tonnes of copper. Adverse political events beginning in the early 1990s, together with military activity have led to a dramatic reduction in national output. However, diamonds, copper and cobalt remain the principal foreign exchange earning exports for the country.

Following an absence of approximately 10 years, the International Monetary Fund and the World Bank have recently actively re-engaged the DRC and are assisting the development of coherent legislative and economic reforms, aimed at a reconstruction of the country. As part of this effort, in 2002 the government introduced a new Mining Code which has significantly improved the investment climate for the mining industry and is encouraging renewed international investment.

Gécamines, a state owned mining company holds significant quantities of Proven and Probable Mineral Reserves and Measured, Indicated and Inferred Mineral Resources of copper, cobalt, germanium and zinc in the Katanga province of DRC.

Regulatory Matters

DRC Mineral Title

The mining rights to the Kinsevere tenement areas are currently held through a lease agreement between Gécamines, the mining title holder, and MCK. The Kinsevere tenement covers an area of approximately 16.1 square kilometres. The Company and MCK formed a joint venture company AMCK (in which the Company holds a 95% interest) to which the 25 year mining lease right has been assigned by MCK. The lease provides that the leaseholder will make royalty payments to Gécamines on each tonne of commercially viable copper metal extracted from mining operations at the Kinsevere mine.

AMC holds title to the Dikulushi mine and surrounding exploration tenements through a Mining Convention (the "Dikulushi Mining Convention") signed on January 31, 1998 with the Government of the DRC, and ratified by Presidential Decree issued on February 27, 1998. Mining operations at the Dikulushi mine are conducted under an Exploitation Permit issued by Ministerial Decree on January 12, 2004 (which replaced an earlier issued Mining Concession). Under the Dikulushi Mining Convention, AMC is guaranteed sole and exclusive rights for exploitation for a period totalling 20 years from the date of the issue of the tenure. The rights for exploitation in respect of each mine are for a period of 20 years from the respective dates of commencement of production from each mine.

The mineral rights to the Mutoshi tenement area are held under two tenements. One tenement comprises 56 blocks for an area of approximately 46 square kilometres that expires in April, 2009 and is renewable twice thereafter. The other tenement comprises 68 blocks for an area of approximately 58 square kilometres, expires in October 2010 and is renewable twice thereafter. These rights each have a term, including renewal periods, of 30 years.

Ownership of Mines and Projects

The Kinsevere joint venture is an exploration and mining joint venture between the AVM Group (95%) and MCK (5%).

The AVM Group holds a 90% equity interest in AMC and, in addition, has administrative responsibility for the economic benefit of the remaining 10% equity interest, which is held in trust by the AVM Group for the social, economic and infrastructure development of the region of the AVM Group's activities at the Dikulushi mine. Wholly-owned subsidiaries of the AVM Group are the trustees of the trusts that hold the remaining 10%, giving the AVM Group greater control over how this 10% interest is administered. In April 2006, the Company signed an agreement with Pact Inc., ("Pact") a Washington-based non-government organisation, for the design and implementation of the Company's social and community development programs in the vicinity of its Dikulushi mine. The arrangement with Pact now extends to management of the Company's social and development programs at Mutoshi and Kinsevere in addition to Dikulushi.

The Mutoshi mine is an exploration and mining joint venture between the AVM Group (80%), and Gécamines (20%).

DRC Government Review of Mining Agreements

For a discussion on the DRC Government review of mining agreements please see pages 8-9 of this Annual Information Form.

The mining concessions on which the Company is currently operating and developing are all located in the DRC. As a result, the Company is subject to certain risks, including possible political or economic instability in the DRC, which may result in the impairment, loss of mineral concessions or renegotiation of joint venture contracts with Gécamines. Any changes in laws or regulations or shifts in political attitudes are beyond the control of the Company and may adversely affect its business. In relation to the DRC Government review of mining agreements, no

assurance can be given as to the outcome of any future discussions or negotiations between Anvil and the DRC Government or that Anvil's security of tenure and its ability to secure additional financing in the future may not be adversely affected so as to have a material adverse effect on its business, operating results and financial position.

Mining Taxation

Historically, companies involved in the mining industry in the DRC have negotiated specific deductions and exemptions for income tax purposes as an integral part of each mining convention, given the higher level of risk at the time. The mining operations at the Dikulushi mine are subject to the terms of the Dikulushi Mining Convention. Any future mining activities of the AVM Group outside of the Dikulushi Mining Convention are subject to taxation in accordance with the provisions of the new Mining Code of the DRC, which came into force in 2002. The Dikulushi Mining Convention entitles AMC to benefit if there is more favourable taxation legislation introduced subsequent to the effective date of the Dikulushi Mining Convention. On enactment of the Mining Code, AMC elected to continue with the established terms of the Dikulushi Mining Convention.

The Convention provides for concessionary rates of taxation on a sliding scale. For the first 15 years of production, taxation on adjusted income is applied at a percentage of the Professional Tax Rate, which was at the time 40%, as shown in Table 1.

Table 1. Tax rates under the Convention

Term	% of Professional Tax Rate	Effective Tax Rate
First five years of production	0%	0%
Sixth through tenth years of production	40%	16%
Eleventh through fifteenth years of production	45%	18%
Thereafter	100%	30%[(1)]

(1) The Convention holder elected, as entitled, to adopt the more favourable rate of 30%. AMC commenced payment of tax at a rate of 16% in October 2007.

In addition to the usual deductions of expenses and accruals, the Convention provides that taxable income is adjusted by allowances for (i) depreciation of moveable and immoveable fixed assets, (ii) a "depletion allowance" equal to 15% of gross sales up to a maximum of 50% of net profit, and (iii) all exploration and evaluation expenses. Dividends declared and paid by AMC to the Company are exempt from all DRC taxes, including withholding tax.

Equity Ownership of SMK (Mutoshi Assets)

The AVM Group holds a direct 100% interest in EMIKO which in turn holds an 80% interest in SMK (formerly SRM). This interest was confirmed by a shareholders' meeting of SMK held on July 16, 2004 and incorporated in an SMK Formation Agreement, No. 457/10.264/SG/GC/2001, Amendment No.2 signed on October 3, 2004, and by a Share Sale Agreement signed on November 2, 2006.

Exploration activity at the Mutoshi mine is carried out under the Mining Code, enacted by law No. 007/2002 in 2002. The mineral rights of the Mutoshi Joint Venture comprise Mining Rights PE 2604 – Mutoshi, PE 2605 – Nioka, PE 663 – Kamukonko and PER 2812 – Kulumaziba deposit, covering an area of approximately 137 square kilometres. The tenements are registered to SMK.

Risk Factors

The operations of the AVM Group are speculative due to the nature of the AVM Group's business, the location in which it operates and the present stage of its development. In evaluating the securities of the Company, the following factors should be considered:

Speculative Nature of Mineral Exploration, Development, Mining and Processing

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate or adequately mitigate. While the discovery of an orebody may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenditures may be required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are: the particular attributes of the deposit, such as size, grade and proximity to infrastructure; metal prices which are highly cyclical; and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, allowable production, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the AVM Group not receiving an adequate return on invested capital. There is no assurance that commercial quantities of ore will be discovered on any of the AVM Group's exploration properties. There is no assurance that, even if commercial quantities of ore are discovered, a mineral property will be brought into commercial production. In addition, assuming discovery of a commercial orebody, depending on the type of mining operation involved, several years can elapse from the initial phase of drilling until commercial operations are commenced. Most of the above factors are beyond the AVM Group's control.

Mining operations involve a high degree of risk. Such operations are subject to all the hazards and risks normally encountered in the exploration for, and development and production of copper and other base or precious metals, including unusual and unexpected geologic formations, water conditions, surface or underground conditions, seismic activity, rock bursts, cave-ins, flooding and other conditions involved in the drilling and removal of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability, mechanical equipment performance problems, the unavailability of materials and equipment, accidents, labour force disruptions, force majeure factors, unanticipated transportation costs and weather conditions. Mining and processing operations are subject to hazards such as equipment failure or failure of retaining dams around tailings disposal areas, which may result in environmental pollution and consequent liability. Any of these factors can materially and adversely affect, among other things, the development of properties, production quantities and rates, costs and expenditures and production commencement dates.

The AVM Group's processing facilities are dependent on continuous mine feed to remain in operation. Insofar as its mines may not maintain material stockpiles of ore or material in process, any significant disruption in either mine feed or processing throughput, whether due to equipment failures, adverse weather conditions, supply interruptions, labour force disruptions or other causes, may have an immediate adverse effect on results of operations. A significant reduction in mine feed or processing throughput at a particular mine could cause the unit cost of production to increase to the point where the AVM Group could determine that some or all of its reserves were uneconomic to exploit.

Political Stability

The AVM Group's mines in the DRC may be subject to the effects of political changes, war and civil conflict, changes in government policy, lack of law enforcement and labour unrest and the creation of new laws. These changes (which may include new or modified taxes or other government levies as well as other legislation) may impact the profitability and viability of its properties. The DRC is an impoverished country with physical and institutional infrastructure that is in a debilitated condition. It is in transition from a largely state-controlled economy to one based on free market principles, and from a non-democratic political system with a centralised ethnic power base to one based on more democratic principles. There can be no assurance that these changes will be effected or that the achievement of these objectives will not have material adverse consequences for the AVM Group and its operations.

The northeast region of the DRC has undergone civil unrest and instability that could have an impact on political, social or economic conditions in the DRC generally. While the government of the DRC and MONUC are working to support the extension of central government authority into the region there can be no assurance that such efforts will be successful. Although the AVM Group's mines in the DRC are in the remote southeast area of the country, the effect of unrest and instability on political, social or economic conditions in the DRC could result in the impairment

of the exploration, development and mining operations at those mines. Any such changes are beyond the control of the AVM Group and may adversely affect its business.

Liquidity Concerns and Future Financings

The further development and exploration of the various mineral properties in which the AVM Group holds interests depend upon the Company's ability to obtain financing through joint ventures, debt financing, equity financing or other means. There is no assurance that the Company will be successful in obtaining required financing as and when needed. Volatile markets for precious and base metals may make it difficult or impossible for the Company to obtain debt financing or equity financing on favorable terms or at all. The AVM Group operates in a region of the world that has experienced economic dislocation, war and political upheaval, which may make it difficult for the Company to obtain future debt financing from mine lenders. Failure to obtain additional financing on a timely basis may cause the Company to postpone its development plans, forfeit rights in some or all of its properties or joint ventures or reduce or terminate some or all of its operations.

The Company does not currently have sufficient cash or debt facilities to fund the completion of the development of the Kinsevere Stage II SX-EW processing plant. The Company requires additional funding of approximately $200 million, which if not raised, will result in project delays. While the Company is aiming to have financing arranged in time to allow for the recommencement of construction works on the Kinsevere Stage II SX-EW development during the second half of 2009, with commissioning of the plant approximately twelve months thereafter, there is no assurance that negotiations with financiers will be concluded successfully or within a reasonable time frame.

As at the date of this AIF, the Group's ability to continue as a going concern is dependent upon its ability to fund its working capital, complete the construction of the Kinsevere Stage II SX-EW plant and generate positive cash flows from these operations.

Logistics

In order for the AVM Group to deliver minerals to its customers, concentrate must be transported by land and water along a supply line, at the risk of the AVM Group, to Zambia and through a number of different countries to the Republic of South Africa. The lack of nearby engineering and other support facilities and the need for the AVM Group to establish its own transportation facilities on Lake Mweru makes this a costly activity. The barge facility established by the AVM Group for transport of supplies and concentrate across Lake Mweru is critical to the current operations at the Dikulushi mine and interruption of this facility would be disruptive. The transport of concentrate through Zambia and Zimbabwe for smelting and refining could be subject to disruptions through political disputes and natural disasters.

The Mutoshi mine near Kolwezi is also subject to logistical risk of a long supply line and lack of nearby engineering and other support facilities, thus requiring the AVM Group to rely on available transport and other service providers which currently service Kolwezi.

The Kinsevere mine, located approximately 30 kilometres north of Lubumbashi, the provincial capital, is subject to typical logistical risks, however due to its close proximity to Lubumbashi, does not have the lengthy supply chain issues experienced by both the Dikulushi and Mutoshi mines.

Lack of Infrastructure

The exploration properties of the AVM Group are located in remote areas of the DRC, which lack basic infrastructure, including sources of power, water, housing, food and transport. The AVM Group engages expatriate workers to come to the DRC as there is a shortage of skilled local personnel. In order to develop any of its exploration properties other than at Dikulushi, the AVM Group will need to establish the facilities and material necessary to support operations in the remote locations in which they are situated. The inability to make suitable arrangements may delay the conduct of the AVM Group's exploration programs and prevent the AVM Group from meeting its stated business objectives. The remoteness of the properties will also affect the potential viability of mining operations, as the AVM Group will also need to establish substantially greater sources of power, water,

physical plant and transport infrastructure in the area. The lack of availability of such sources may adversely affect mining feasibility and will, in any event, require the AVM Group to arrange significant financing, locate adequate supplies and obtain necessary approvals from national, provincial and regional governments, none of which can be assured.

In particular, the Company has identified power supply as a possible constraint on future growth and in order to secure a future source of supply, has funded the development of new power supply infrastructure and refurbishment of existing power supply infrastructure and implemented enhanced arrangements with Société Nationale d'Électricité ("SNEL"), the DRC government electricity company. A 27 km 120KV transmission line which connects the Kinsevere mine to the DRC national hydroelectric grid has been completed and the Company has entered into a power supply agreement with SNEL which would provide sufficient power for the Kinsevere Stage II 60,000 tonnes per year SX-EW plant.

Uninsurable Risks

The AVM Group's business is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, civil unrest and political instability, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as inclement weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties or production facilities, personal injury or death, environmental damage to the AVM Group's properties or the properties of others, delays in development or mining, monetary losses and possible legal liability.

The AVM Group has obtained debt and equity political risk insurance cover for the Dikulushi mine from MIGA, a member of the World Bank Group, which guarantees investments and loans by the Company to the operating subsidiary in the DRC against the risks of transfer restriction, expropriation, breach of contract, war and civil disturbance. The AVM Group also maintains insurance to protect against certain other risks in such amounts as it considers reasonable. However, its insurance will not cover all the potential risks associated with its operations. The AVM Group may also be unable to maintain insurance to cover these risks at economically feasible premiums. Insurance coverage may not continue to be available or may not be adequate to cover any resulting liability. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the AVM Group or to other companies in the mining industry on acceptable terms. The AVM Group might also become subject to liability for pollution or other hazards which may not be insured against or which the AVM Group may elect not to insure against because of premium costs or other reasons. Losses from these events may cause the AVM Group to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

Mineral Resources and Mineral Reserves

There is a degree of uncertainty to the estimation of Mineral Reserves and Resources and corresponding grades being mined or dedicated to future production. Until Mineral Reserves or Mineral Resources are actually mined and processed, the quantity of Mineral Resources and Mineral Reserve grades must be considered as estimates only. In addition, the quantity of Mineral Reserves and Resources may vary depending on, among other things, metal prices. Any material change in quantity of Mineral Reserves, Mineral Resources, grade or stripping ratio may affect the economic viability of the properties. In addition, there can be no assurance that copper recoveries or other metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests under on-site conditions or during production.

Metal price fluctuations, as well as increased production costs or reduced recovery rates, may render Mineral Reserves containing relatively lower grades uneconomic and may ultimately result in a restatement of such Mineral Reserves. Moreover, short-term operating factors relating to Mineral Reserves, such as the need for sequential development of ore bodies and the processing of new or different ore types or grades may cause a mining operation to be unprofitable in any particular accounting period.

Fluctuation in copper, silver and other base or precious metals prices, results of drilling, metallurgical testing and production and the evaluation of mine plans subsequent to the date of any estimate may require revision of such estimate. The volume and grade of reserves mined and processed and recovery rates may not be the same as

currently anticipated. In particular, no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of copper and silver recovery will be realised. Any material reductions in estimates of Mineral Reserves and Resources, or estimates of the AVM Group's ability to extract these Mineral Reserves, could have a material adverse effect on the AVM Group's results of operations and financial condition.

The Tshifufia and Tshifufiamashi Mineral Resource estimates have been prepared by Mr. David Gray (Anvil's Group Resource Geologist), who is a member of the South African Council for Natural Scientific Professions (SACNASP), a recognised overseas professional organisation, the Kinsevere Hill estimate has been prepared by Mr Chris Allen, CSA Global Pty Ltd ("CSA"), (formerly FinOre Pty Ltd of Perth), who is a member of the Australian Institute of Geoscientists. All of the estimation work was supervised by Mr Gerry Fahey MAIG, MAusIMM (CP) of CSA who is the Qualified Person for reporting under the requirements of NI 43-101 and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The Mineral Resource grades have been reported as both Total Copper ("TCu") and as Acid Soluble Copper ("ASCu").

Information in this Annual Information Form that relates to in-situ Mineral Resources at Dikulushi and Mutoshi is based on information compiled by Gerry Fahey of CSA (previously FinOre Pty Ltd) and Mike Lawlor (Manager Group Technical Services) of Anvil. Gerry Fahey is a Chartered Professional, a member of the Australasian Institute of Mining and Metallurgy, a member of the Australian Institute of Geoscientists, and has sufficient experience which is relevant to the style of mineralisation and the type of deposits under consideration and to the activity he is undertaking, to qualify as a Qualified Person as defined by Canadian National Instrument 43-101. Mike Lawlor is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and the type of deposits under consideration and to the activity he is undertaking, to qualify as a Qualified Person as defined by Canadian National Instrument 43-101. Information in this Annual Information Form that relates to Mineral Reserves has been reviewed by Tony Cameron of A & J Cameron and Associates Pty Ltd. who is a Fellow of the Australasian Institute of Mining and Metallurgy. No assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of copper and silver recovery will be realised.

Uncertainty Relating to Inferred Mineral Resources

Inferred Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability. There is a risk that the Inferred Mineral Resources cannot be converted into Mineral Reserves as the ability to assess geological continuity is not sufficient to demonstrate economic viability. Due to the uncertainty that may attach to Inferred Mineral Resources, there is no assurance that Inferred Mineral Resources will be upgraded to resources with sufficient geological continuity to constitute Proven and Probable Mineral Reserves as a result of continued exploration. If the AVM Group is not able to convert its Inferred Mineral Resources into Mineral Reserves this will have a material adverse effect on operations.

Mine Life

The AVM Group can only confirm mineralisation capable of supporting economic mining operations from the Kinsevere mine plan until 2027.

Any adverse development affecting the progress of the Kinsevere mine or any of the AVM Group's other properties such as, but not limited to, obtaining debt financing on commercially suitable terms, hiring suitable personnel and mining contractors, or securing supply agreements on commercially suitable terms, may have a material adverse effect on the AVM Group's financial performance and results of operations.

The AVM Group's ability to maintain or increase its annual production of copper or other metals will be dependent in significant part on its ability to expand existing mines and bring new mines into production.

Dikulushi and Mutoshi Mines on Care and Maintenance

During the fourth quarter of 2008, the Company initiated a program of care and maintenance at its Dikulushi and Mutoshi mines. While the Company retains security and maintenance professionals at these mines, there can be no assurance that the AVM Groups assets at Dikulushi and Mutoshi will not be adversely affected.

Licences, Permits and Government Regulations

The AVM Group's mineral production, exploration and development activities are subject to various laws governing prospecting, mining, development, production, taxes, labour standards and occupational health, mine safety, toxic substances, land use, water use, land claims of local people and other matters. Although the AVM Group's production, exploration and development activities are currently carried out in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail production or development.

Many of the AVM Group's mineral rights and interests are subject to government approvals, licences and permits. Such approvals, licences and permits are, as a practical matter, subject to the discretion of the applicable governments or governmental officials. No assurance can be given that the AVM Group will be successful in maintaining any or all of the various approvals, licences and permits in full force and effect without modification or revocation. To the extent such approvals are required and not obtained; the AVM Group may be curtailed or prohibited from continuing or proceeding with planned exploration or development of mineral properties. For example, the AVM Group's mining and exploration activities at the Dikulushi and Mutoshi mines are conducted under certain permits and licences that are subject to periodic renewal for a period of up to 20 years and 30 years respectively. While the AVM Group anticipates that renewals will be granted as and when sought, there is no assurance that such renewals will be given as a matter of course or that new conditions will not be imposed in connection with renewal. The AVM Group's business objectives may also be impeded by the costs of holding its mineral licences. Permit and licence fees in the DRC and elsewhere may increase substantially upon renewal. The AVM Group's other exploration activities in the DRC are conducted on areas subject to preliminary licences, which must be conformed to licences granted under the Mining Code of the DRC. While the AVM Group anticipates that such permits and licences will be granted, there can be no assurance that they will in fact be granted, or that new, less favourable, conditions will not be imposed.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment, or remedial actions. Parties engaged in mining operations or in the exploration or development of mineral properties may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws or regulations.

Amendments to current laws and regulations governing operations or more stringent implementation thereof could have a substantial adverse impact on the AVM Group and cause increases in exploration expenses, capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

There can be no assurance that industries which are deemed of national or strategic importance in the DRC in which the AVM Group has operations or assets, including mineral exploration, production and development, will not be nationalised. The risk exists that further government limitations, restrictions or requirements, not presently foreseen, will be implemented. Changes in policy that alter laws regulating the mining industry could have a material adverse effect on the AVM Group. There can be no assurance that the AVM Group's assets in these countries will not be subject to nationalisation, requisition or confiscation, whether legitimate or not, by an authority or body.

Environmental Risks and Hazards

All phases of the AVM Group's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and

land reclamation. They also set forth limitations on the generation, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed mines and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the AVM Group's operations. Environmental hazards may exist on the properties on which the AVM Group holds interests which are unknown to the AVM Group at present and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures may differ from the actual expenditures required.

Land Title

The AVM Group's mineral properties may be subject to prior unregistered liens, agreements, transfers or claims and title may be affected by, among other things, undetected defects. As a result, the AVM Group may be unable to operate its properties as permitted or to enforce its rights with respect to its properties.

Foreign Operations

Substantially all of the AVM Group's operations are currently conducted in the DRC and as such, the AVM Group's operations are exposed to various levels of political, economic and other risks and uncertainties associated with operating in a foreign jurisdiction. These risks and uncertainties include, but are not limited to, currency exchange rates; high rates of inflation; labour unrest; renegotiation or nullification of existing concessions, licenses, permits and contracts; changes in taxation policies; restrictions on foreign exchange; changing political conditions; currency controls and governmental regulations that favor or require the awarding of contracts to local contractors or require foreign contractors to employ citizens of, or purchase supplies from, a particular jurisdiction.

Changes, if any, in mining or investment policies or shifts in political attitude in the DRC may adversely affect the AVM Group's operations or profitability. Operations may be affected in varying degrees by government regulations with respect to, but not limited to, restrictions on production, price controls, export controls, currency remittance, income taxes, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and mine safety.

Failure to comply strictly with applicable laws, regulations and local practices relating to mineral right applications and tenure, could result in loss, reduction or expropriation of entitlements.

The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the AVM Group's operations and profitability.

Limited Operating History

The AVM Group has a limited operating history and there can be no assurance of its ability to operate its mines profitably. While the AVM Group has generated working capital through the Kinsevere mine, Dikulushi mine and the Mutoshi mine, there is no assurance that the AVM Group will be capable of producing positive cash flow on a consistent basis.

Volatility of Metal Prices

The mining industry is competitive and there is no assurance that, even if commercial quantities of a Mineral Resource are discovered, a profitable market will exist for their sale. The development and success of the AVM Group's mines will be primarily dependent on the future price of metals, and there can be no assurance that metal prices will be such that the AVM Group's properties can be mined at a profit. Metal prices are subject to significant fluctuation and are affected by a number of factors, which are beyond the AVM Group's control. Such factors include, but are not limited to, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, international political and economic conditions, speculative activities and increased production due to improved mining and production

methods. The price of copper and other base and precious metals has fluctuated widely in recent years, and future serious price declines could cause continued development of and commercial production from the AVM Group's properties to be impracticable. Depending on the price of copper and other metals, cash flow from existing and planned mining operations may not be sufficient and the AVM Group could be forced to discontinue development and may lose its interest in, or may be forced to sell, one or more of its properties. Continued and future production from the AVM Group's mining properties is dependent on copper and other metal prices that are adequate to make these properties economic.

The AVM Group has not engaged in hedging programs to mitigate the risks associated with a decline in metals prices, and continues to be an unhedged copper and silver producer. The Company actively monitors movements in copper and other metals prices and the sensitivity of its performance to movements in such metals prices and may undertake to remove some of the risk associated with lower copper and other metals prices by implementing a hedging program for up to 30% of its metals production.

Furthermore, reserve calculations and life-of-mine plans using significantly lower copper and other base and precious metal prices could result in material write-downs of the AVM Group's investment in mining properties and increased amortisation, reclamation and closure charges.

In addition to adversely affecting the AVM Group's reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular mine. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular mine. Even if the mine is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Key Personnel

Recruiting and retaining qualified personnel is critical to the AVM Group's success. The number of persons skilled in the acquisition, exploration and development of mining properties is limited and competition for such persons is intense. As the AVM Group's business activity has grown, it has recruited additional key operational, financial, administrative, mining, marketing and public relations personnel. As the AVM Group's business activity continues to grow, it will be required to hire additional personnel. Although the AVM Group believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

Health Risks

HIV/AIDS, malaria and other diseases represent a serious threat to maintaining a skilled workforce in the mining industry throughout Africa. HIV/AIDS, malaria and other diseases are a major healthcare challenge faced by the AVM Group's operations in the DRC. There can be no assurance that the AVM Group will not lose members of its workforce or workforce man-hours or incur increased medical costs, which may have a material adverse effect on the AVM Group's operations.

Labour and Employment Matters

While the AVM Group has good relations with its employees, these relations may be impacted by changes in the scheme of labour relations, which may be introduced by the relevant governmental authorities. Adverse changes in such legislation may have a material adverse effect on the AVM Group's business, results of operations and financial condition. A prolonged labour disruption at any of the AVM Group's mining operations could have a material adverse effect on the AVM Group's ability to achieve its objectives with respect to such properties and its operations as a whole.

Subsidiaries

The Company conducts its operations through subsidiaries and holds its assets in such subsidiaries. Accordingly, any limitation on the transfer of cash or other assets between the Company and its subsidiaries could restrict the

Company's ability to fund its operations efficiently. Any such limitations, or the perception that such limitations may exist now or in the future, could have an adverse impact on the Company's valuation and stock price.

Currency Risk

The AVM Group's operations incur most expenditure in US dollars but also incur expenditures in the local currencies of the DRC, Zambia, South Africa, Australia, Philippines, Eritrea and Canada. Revenue from operations is in US dollars. The funds raised from the last two equity issues were in Canadian dollars and were previously in Australian dollars. As a result of the use of these different currencies, the AVM Group is subject to foreign currency fluctuations, which may materially affect its financial position and operating results.

Credit Risk

The AVM Group is exposed to various counterparty risks and is subject to credit risk through its trade receivables. The Company manages this risk through evaluation and monitoring process and seeks to transact with credit worthy customers to minimise credit risk and if necessary, employ provisional payment arrangements and the use of letters of credit, where appropriate, but cannot always be assured of the solvency of its customers and at times will sell to parties whose credit worthiness is not determinable. Credit risk relating to derivative contracts arises from the possibility that a counterparty to an instrument with which the Company has an unrealised gain fails to settle the contracts.

Competition

Significant and increasing competition exists for mineral acquisition opportunities throughout the world. As a result of this competition, some of which is with large, better established mining companies with substantial capabilities and greater financial and technical resources, the AVM Group may be unable to acquire rights to exploit additional attractive mining properties on terms it considers acceptable. Accordingly, there can be no assurance that the AVM Group will acquire any interest in additional operations that would yield reserves or result in commercial mining operations.

Dilution

The Company may undertake additional offerings of Common Shares and of securities convertible into Common Shares in the future. The increase in the number of Common Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of Common Shares. In addition, as a result of such additional Common Shares, the voting power of the Company's existing shareholders will be diluted.

Dividend Policy

The Company has paid no dividends on its ordinary shares since incorporation, having retained all earnings and other cash resources for the future operation and development of its business. Payment of any future dividends will be at the discretion of the Company's board of directors after taking into account many factors, including the Company's operating results, financial condition and current and anticipated cash needs.

THE KINSEVERE MINE

Description and Location

The Kinsevere mine is located in the Katanga province in the southeast of the DRC. It is situated in the central section of the Central African Copperbelt, approximately 30 kilometres north of the provincial capital, Lubumbashi.

The Kinsevere site comprises two separate exploitation permits Kinsevere (PE 528) and Nambulwa (PE 539) the area of which totals 29.6 square kilometres. Kinsevere consists of three deposits, Kinsevere Hill, Tshifufia and Tshifufiamashi and covers an area of 16.1 square kilometres. All three deposits lie within 2 kilometres of each other

and trend in a north north-west direction with Kinsevere Hill being the most southern deposit and Tshifufiamashi being the most northern. Both PEs 528 and 539 are valid until April 3, 2024.

The mineral rights of PE 528 which covers an area of approximately 5.94 square kilometres are held by Gécamines. AMCK a special purpose joint venture company between the AVM Group (95%) and MCK have a Lease Agreement with Gécamines to mine and process ore from the Kinsevere mine for a period of 25 years.

The Lease Agreement provided for AMCK to make royalty payments to Gécamines on each tonne of commercially viable copper metal extracted from future mining operations on the Kinsevere-Nambulwa deposits. The royalty payment was calculated on both copper and cobalt extracted as copper equivalent tonnes and varies from a floor price of $35 per tonne of copper at a LME copper price of $2,200 per tonne (or $1.00/lb Cu) to a ceiling price of $70 per tonne of Copper at an LME copper price of $4,000 per tonne (or $1.81/lb Cu). Following the agreement reached with Gécamines and the DRC Government in January 2009, the determination of royalty payments to Gécamines was amended such that payments are now based on 2.5% of gross turnover.

There is good access to national power grid with two high tension power lines (120 & 220 KVA), operated by Société Nationale D'Eléctricite (the DRC national supply authority), running adjacent to the Lubumbashi–Likasi national highway. Nonetheless, a new 120 KVA power line is being built from Lubumbashi to Kinsevere, to connect the mine site to the 220 KVA national grid. There is also good water access from the mine surrounds and/or the nearby Kifumashi River. Anvil has, in May 2007, completed and commissioned its pipeline from the river as part of its Stage I operation. It is expected that de-watering will provide the majority of the mines water for Stage II.

Process water is obtained from tails recovery, pit dewatering and the local river.

The size of the exploitation permit and favourable topography allows Anvil significant flexibility in its choice of sites for tailings storage facilities, stockpiles, processing plant site and other infrastructure.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Kinsevere is situated on the Central African Plateau at an elevation of 1,200 metres. The surrounding area gently slopes to the north towards the Kifumashi River though more resistant parts of the Lower Roan formation southeast-northwest trending, low but often steep sided ridges. Vegetation in the mine area is generally consists of Riparian and Mungu (Acacia) vegetation though areas, specifically those close to the Kifumashi River have been cleared by slash and burn technique for kasava, maize and vegetable production. Due to copper poisoning of soils surrounding the Kinsevere Hill, Tshifufia and Tshifufiamashi deposits, open areas of grass land are also present.

A residual soil layer covers most of the mine and is approximately 2 metres thick. In some low-lying areas and along the banks of the rivers and streams, there is an accumulation of organic rich muds. Large termite hills are wide-spread and are formed by the species Macrotermes falciger (Malaise, 2004) often reaching heights greater than four metres.

Kinsevere has a distinct dry and wet season with the wet season commencing in October and generally finishing in April. The average rainfall of the area is approximately 1,100 millimetres though this can range from 650 millimetres to 1,500 millimetres 90% of the rainfall occurs during the wet season. Temperatures are generally mild and vary between 17 and 26 degree Celsius though can drop as low as five degrees celsius during the night in July and August. No interruptions to either exploration or mining activities by the Company occur during the wet season.

A power purchase agreement was signed in December 2007 with SNEL for the supply of 39.5MW of hydro-electrical power. A 27 kilometre 120kV transmission line which connects the Kinsevere mine to the DRC national hydroelectric grid is now completed along with associated connection infrastructure. The transmission line has been designed so as to be capable of fully supporting the power demands of the planned Stage II development of a 60,000 tonnes per year SX-EW plant. On-site diesel powered generators are providing the electrical power needs for the mine until the connection infrastructure has been completed.

Construction of a 24 kilometre mine access road alongside the 120kV transmission line was completed in the fourth quarter of 2007 and has resulted in a substantial reduction of traffic through villages located on the refurbished access road located further to the west.

The nearest major population centre is the provincial capital of the Katanga province, Lubumbashi situated 30 kilometres to the south-south-east of Kinsevere. Local villages such as the Kinsevere village situated on the Kifumashi River, three kilometres to the north of the Kinsevere deposits and the Muombe-Bushinda village adjacent to Muombe River, 13 kilometres to the west of Kinsevere are mainly dependant on subsistence agriculture or production of charcoal to provide a livelihood.

History

The mineral rights to Kinsevere have been historically owned by Gécamines. During the 1990's the Tshifufia and Tshifufiamashi prospects were the subject of a joint venture between Gécamines and EXACO SPRL ("EXACO"), a local Congolese company interested primarily in exploiting near surface, high-grade, oxide cobalt resources. The joint venture was restricted to cobalt resources within 30 metres of surface and 67 holes were drilled into the Tshifufia and Tshifufiamashi deposits by EXACO, the majority of which were vertical, and down the dip of the orebodies and were designed to test the distribution and grade of the oxide cobalt mineralisation. Gécamines also carried out preliminary investigations and some drilling on the Kinsevere Hill, Tshifufia Central, Tshifufia South and Tshifufiamashi deposits during the early 1990's.

Subsequent to these investigations an open pit was developed by EXACO to a depth of 30 metres on the Tshifufia South prospect and 56,000 tonnes of ore at 3.14% Cu and 0.76% Co was extracted against a planned extraction of 54,440 tonnes of ore at 4.37% Cu and 0.54% Co.

In June 2004, the Company obtained a series of ammonia print plans, drills sections and fragmentary production records from Gécamines. These indicated the positions and logging of some of the drilling completed during their evaluation of the prospects in the 1990's. It was not possible to obtain a fully validated data set of the Gécamines exploration program data and no digital or check assays were available. The lithological logging however proved useful in assisting in the geological interpretation of the deposits and no noteworthy discrepancies were found between Gécamines and the Company's exploration results.

Gécamines produced estimates for all of the resources contained in the Kinsevere deposits. Since these resources were developed prior to the implementation of the National Instrument 43-101 these resource estimates do not comply with standard international practices relating to the reporting of potential resources but were used by the Company as a guide to the potential of the prospects.

In 2004 Company staff using available Gécamines data re-estimated the potential tonnages and grades of mineralisation within the prospects.

Geological Setting

The Kinsevere deposits are situated within the Lufilian Arc and hosted in rocks of the Upper Proterozoic Roan Supergroup, a succession of predominantly shallow-marine and terrestrial metasediments up to 7,000 metres thick that accumulated after the break-up of the Rodinian super continent about 950 to 1,050 million years ago. The Lufilian Arc which contains both the Katangan and Zambian Copperbelts is one of the great metallogenic provinces of the world and contains some of the world's richest deposits of copper and cobalt.

Outcrop in the vicinity of the Kinsevere deposits is limited with less than 1% of total surface area having suitable outcrop to allow for detailed geological mapping. Therefore regional geological maps have largely been generated from satellite imagery, previous work and sampling by Gécamines, and data obtained from exploration drilling and the odd outcrop such as Kinsevere Hill.

Kinsevere Hill is an un-exploited low hilltop made up of steeply west southwest-dipping Mines Group rocks (Lower Roan) hosting predominantly malachite mineralisation along its entire outcrop length. It is some 250 metres long, 110 metres wide and rises about 20 metres above the surrounding ground.

The Tshifufia Central fragment consists of three distinct zones, Tshifufia South which was previously mined to a depth of 30 metres, Tshifufia Central and the less-well developed northern extension of the Tshifufia deposit. Mineralisation is made up primarily of malachite though considerable enrichment of cuprite occurs in specific zones. All three orebodies, Lower orebody ("LOB"), Upper orebody ("UOB") and the Third orebody ("TOB") are found within Tshifufia and are intensely deformed with the orebodies being overturned in parts and dipping steeply to the east at about 75 degrees.

Mineralisation is oxidised and siliceous and extends over 400 metres in length and 50 metres in width. Bonanza type grades have been found in the central section of the Tshifufia deposit. The mineralisation occurs sup-parallel to bedding and appears to be overturned in parts and dips steeply to the east at about 75 degrees. The regolith profile is similar to that at Kinsevere Hill, including a near-surface veneer of depleted and bleached clays underlain by a zone of decreasingly oxidised country rocks. The base of oxidation is at a depth of approximately 100 metres.

At Tshifufia South an approximately 30 metre deep pit was developed by EXACO in a similar but rotated stratigraphic succession to Tshifufia Central. The open cut pit provides access to both main orebodies. The LOB is partially obscured at the base of the pit, while the UOB is exposed on benches developed on the southwestern side of the pit. The open cut geology is divided along a northeast trending breccia zone into an eastern and western segment. In the west the beds dip moderately steep to the northeast and in the east, beds dip at about 60 degrees to the west. Ore minerals are predominantly malachite with intergrown heterogenite.

At Tshifufiamashi the Mines Group rocks outcrop over a strike length of approximately 300 metres and a width of approximately 200 metres. As with the above prospects, a similar lithological succession is present. In contrast to Tshifufia Central, the beds are not overturned and dip moderately steep to the west.

Both the UOB and LOB are developed. The 5 metre wide LOB consists predominantly of malachite, while the UOB is 12 metres – 15 metres wide with malachite and some cuprite. The TOB is also well developed at Tshifufiamashi. Artisanal miners have excavated numerous pits on this site confirming the rich copper grades and the lateral persistence of the mineralisation. Common to all prospects of the Kinsevere area, is the absence of a stromatolitic dolomitic horizon which normally separates the UOB and LOB. Consequently, the UOB is in direct contact with the LOB. It is also common to all prospects that mineralisation terminates against the breccia. There are currently no known bore holes that have penetrated the breccias at depth and re-encountered other fragments.

Mineralisation

The copper mineralisation of the Kinsevere project area occurs within Mines Group sediments of the Lower Roan Supergroup. To date, no mineralisation has been identified within the overlying Kundelungu Formations.

The Mines Group unit is a moderate, siliclastic carbonate (dolomitic) unit, deposited under reducing anoxic conditions in a restricted, shallow-marine or lacustrine environment. The host rocks are typical of Congolese deposits, underpinning the principal difference between DRC and Zambian portions of the belt – parent sedimentary lithologies in Zambia are predominantly arenaceous and argillaceous in composition.

These two mineralisation styles may be present at Kinsevere: the LOB is hosted by grey RAT, DStrat and RSF, while the UOB is confined to the overlying SD unit. The unit overlying the SD, the CMN can host significant mineralisation (i.e. the TOB). The CMN is well developed in the central portion of Tshifufia Central and Tshifufiamashi, possibly cogenetic with higher levels of local deformation and/or remobilisation.

In general, regional metallogenesis assumes laterally stable depositional conditions, lithologic continuity and large scale ore fluid migration / remobilisation. While this straightforward interpretation remains highly practical for exploratory purposes, Kinsevere orebodies may represent local variants of a much broader, "archetypal stratiform Congolese copper deposit"

The regolith profile includes a near-surface veneer of bleached clays, underlain by a zone of decreasingly oxidised country rocks. The LOB, UOB and TOB stratigraphic positions are all mineralised at Tshifufia and oxide mineralisation lacks stratigraphic control, although grade generally improves towards the base of weathering at ~110m. Bonanza style oxide mineralisation is observed in central sections of the Tshifufia deposit. In general, oxide Cu grades remain significantly higher than those intersected in primary zones.

At Tshifufia Central, a large portion of oxide mineralisation is hosted in the RAT immediately below the DStrat contact in fractures and veins. High-angle faults and bedding-parallel fault breccias in the SD form another important setting for copper oxides, with mapping in the SD unit identifying widespread breccia controlled, bedding-parallel mineralisation. Mined surfaces record minimal cross-strata dispersion of supergene ore minerals, together with small scale interleaving of mineralised and unmineralised beds.

Oxide ore mineralogy at Tshifufia, Tshifufiamashi and Kinsevere Hill is composed predominantly of malachite and pseudomalachite, with minor chrysocolla and rare intergrown heterogenite. These occur as disseminations and/or in veins and veinlets, which sometimes coalesce into prominent “clots.

Malachite commonly occurs as coarse (0.2 to 0.7 mm) variably bladed crystals. A significant proportion is also observed within goethite, quartz and phyllosilicate gangue mineralogy. Noticeably finer-grained pseudomalachite is also identified within principal gangue phases together with heterogenite. Primary sulphide mineralisation is not observed at the surface. Minor copper sulphide (typically chalcopyrite) can occur within oxide ore zones, although it’s often restricted to fresh rock beneath, or within 10 metre to 20 metre thick transition zones, separating weathered and unweathered material.

Additional secondary Cu and Co phases (chalcocite, cuprite and inter-grown heterogenite) are preserved in weathered domains as either disseminated, fracture- or cleavage-controlled phases within favourable host assemblages

The base of oxidation forms an irregular surface which varies with rock fabric, especially beneath deformation zones. Transitional horizons are not defined by appreciable increases in Cu mineralisation, native Cu and other Cu oxides. These tend to form erratic, laterally discontinuous layers, which transect bedding planes.

Stratiform,copper sulphide mineralisation, including chalcopyrite, chalcocite, and bornite typically occurs as finely disseminated, bedding parallel layers, stratiform veins or as replacement of pyrite nodules. Lesser cross cutting quartz-carbonate- sulphide veins are also observed. Sulphide remobilisation during faulting has also led to the development of variably mineralised breccias.

Several diamond drill holes at Tshifufia and Tshifufiamashi have intersected primary sulphide mineralisation at depth. Local bedding and drill hole orientation mean all such holes will intersect this mineralisation in the CMN. Observations regarding sulphide mineralisation indicate:

- A more balanced volumetric distribution between disseminated stratiform mineralisation and fracture and breccia controlled mineralisation in the CMN.
- Breccia and vein controlled mineralisation tend to overlap spatially with stratiform mineralisation, whereas stratiform mineralisation may occur locally as the sole form of mineralisation.
- Two sub-types of stratiform mineralisation occur including:
    - Discrete stratiform veins filled predominantly with chalcopyrite and only minor quartz and calcite with very fine disseminated chalcopyrite in a black fine-grained calcareous carbonaceous siltstone; and
    - Broad intervals (>3 metres) of light grey coloured coarse crystalline (probably recrystallised) silty dolomite with coarse grained disseminated chalcopyrite which coalesce locally to form discontinuous stratiform boudinaged veins.

Mineralised veins in the first sub-type differ from those in the second sub-type in that they contain volumetrically more calcite and quartz as gangue minerals.

Although sulphide mineralisation is localised within laterally continuous stratigraphic intervals, supergene mineralisation observed in core and outcrop appears restricted to faults, and associated fracture / breccias zones.

Within the CMN, the TOB mineralisation is predominantly localised in the coarse-re-crystallised dolomitic layers which in the oxide zone occurs strongly friable partly unconsolidated dolo-psammite.

Further drill core and outcrop investigations suggest that three types of overprinting mineralisation can be identified at the Kinsevere project:

- The earliest phase of mineralisation includes stratiform disseminated sulphide mineralisation, overprinted by deformation-controlled vein and fault-zone copper-quartz-carbonate mineralisation.
- This process is likely to have led to re-mobilisation and re-precipitation of early-stage stratiform mineralisation.
- Supergene processes, in deeply weathered terrains, have imposed a third phase of Cu remobilisation of Cu in the mineralised zone.

Exploration Work Completed

The AVM Group commenced an exploration program in October 2004 to verify the results of previous work carried out by Gécamines. The exploration program consisted of re-sampling of the various trenches dug by Gécamines in the 1990's, a RC drilling program of 85 holes for a cumulative depth of 5,675 metres and a limited diamond drilling program of 2,214 metres which was primarily undertaken to increase the confidence of the geological model and to provide metallurgical samples for the proposed metallurgical test work program planned for a feasibility study.

The re-sampling of all surviving Gécamines trenches in the three prospects was carried out between October and November of 2004 by the Company's exploration department. A total of 532 chip samples were taken during this program though limited chip samples were taken from the primary target of Tshifufia due to increased artisanal activity at the time which resulted in pits being dug by artisanal workers to a depth of 20 metres.

Samples were generally taken at one metre intervals across mineralised zones and at four metre intervals in barren areas. Sampling was carried out manually using a hammer and chisel under the constant supervision of a Company geologist.

Drilling

Following the completion of the trench sampling program, a RC drilling program was commenced in January 2005. The program which was initially meant to test the various prospects to a depth of 40 metres was extended to a vertical depth of 100 metres once initial results were received. As in the trench sampling program, samples were taken at four metre intervals in barren areas and one metre intervals where mineralisation was noticed or suspected. During the RC program which extended to the end of March 2005 a total of 85 holes were drilled for a cumulative depth of 5,675 metres.

Further Drilling

The Phase 1 drilling program of 7,888 metres carried out on the Tshifufia, Tshifufiamashi and Kinsevere Hill deposits was completed in mid-2005. The 2006 Phase 2 drill program of 17,220 metres, which focussed entirely on the Tshifufia deposit, resulted in the discovery of a much thicker mineralised copper zone at Tshifufia than expected. The Phase 3 drilling program at Kinsevere comprised of 45,367 metres of RC, diamond and AC drilling which was completed in June 2007. The main purpose of this program was to complete the in-fill drilling at the Tshifufia and Tshifufiamashi deposits and to carry out the initial RC and diamond drilling at Kinsevere Hill, on the area referred to as the Kinsevere Hill Extension.

In addition to the oxide copper resource drilling at Tshifufia, six DDH's were drilled beyond the base of weathering (approximately 100 metres below surface) in 2006, to further test the underlying sulphide mineralisation. The first of two deep DDH's drilled at Tshifufia in 2005, intersected 85 metres of 9.5% Cu in the oxide zone, followed

immediately by 272 metres of 3.2% Cu in the underlying sulphide zone. Comparable results have been reported from the Phase 2 program. An Inferred Mineral Resource of 15.4 million tonnes at 2.9% Cu for 444,000 tonnes of contained copper has been defined from the eight holes drilled into sulphides to date.

The Phase 2 drilling program on the Tshifufia deposit comprised 95 AC holes, 102 RC holes and 23 DDH's, for a total of 17,220 metres drilled. The Phase 3 drilling program comprised of 472 AC holes, 216 RC holes and 17 DDH's, for a total of 45,370 metres drilled The results of the Phase 1 (2005), Phase 2 (2006) and Phase 3 (2007) drilling programs have demonstrated that the Kinsevere mine has significant resources.

Following completion of a 41,000 metre drilling program in 2008, a large proportion of which was in-fill drilling, the estimated Measured and Indicated Mineral Resources in the combined oxide and sulphide portions of the Kinsevere deposits (Tshifufia, Tshifufiamashi and Kinsevere Hill) at Year-End 2008 total 29.8 million tonnes at 3.8% copper, representing 1.12 million tonnes of contained copper metal. The Inferred Mineral Resource totalled 14.1 million tonnes at 3.6% Cu, representing an additional 507,000 tonnes of contained copper metal. Details of the updated Mineral resource can be found in Table 7.

Based on the current drill spacing, the Tshifufia and Tshifufiamashi deposits remain open for incremental addition to the sulphide Mineral Resource between 320 to 400 metres and 170 to 260 metres from surface, respectively.

The results of the exploration drilling completed to date have contributed to the geological model, as described in Table 2 of this report, and significant mineralisation has been delineated. The exploration results have been the basis of the resource estimation, presented in Table 2. The current geological model is considered robust enough to form the basis of the resource estimate, and the sampling density is sufficient to delineate the resource, as classified. Further drilling will be required to upgrade the classification of the resource, as mining progresses. Additional data generated from future drilling, together with the results of other planned geological research (eg. lithogeochemical and geophysical orientation studies), may require a refinement or modification to the geological model.

Sample intervals for diamond drill core were controlled by lithology and visible mineralisation (i.e., samples were taken up to but not across lithological contacts and obvious high grade zones were sampled separately from lower grade intervals), to ensure that as much information as possible was collected on the controls of the mineralisation.

RC and air core chip samples were collected at 1 m intervals across visibly mineralised zones and at 4 m intervals across what appeared to be barren intercepts.

Drill chips (RC and air core) were split using a Jones riffle splitter to generate 2 kg samples, which were bagged, labelled and stored at the exploration camp, prior to dispatch to the laboratory.

Diamond core was split into halves and one half core was quartered. A quarter core was submitted to the laboratory for assay; a quarter was retained for SG measurements and possible metallurgical testwork; and the remaining half was retained in the core tray as a geological record.

Reference samples of all RC and air core material from the Phase 2 drilling programme, as well as all retained diamond drill core, was stored at a new core yard, on site at Kinsevere. The Phase 1 reference material and drill core is stored at the Lubumbashi Exploration Office.

All samples were prepared for assay and analysed at the ALS Chemex laboratory in Johannesburg, RSA and standard QA/QC checks were applied throughout the drill program, including the submission of certified reference materials, duplicate samples and blanks.

It is Anvil's opinion that all samples are representative of their respective interval, and that no bias has been introduced by selective sampling. Further it is Anvil's opinion that there are no other factors that are expected to result in any significant bias. Sample length was not based on rock type, widths of mineralised zones or any other geological controls, rather a standardised one metre sample length. Diamond core samples did, however, terminate at major lithological boundaries, but these small samples do not have any relationship to the much greater thickness of the mineralised zones.

In accordance with Canadian National Instrument 43-101 a new NI-43-101 Technical Report was lodged on the SEDAR website at www.sedar.com on March 26, 2008.

Sampling and Analysis

All the trench chip, percussion chip and core samples were dispatched to AHK Laboratories in Kitwe, Zambia for preparation then forwarded on to ALS Chemex laboratory in Johannesburg, RSA for copper and cobalt analysis. At AHK Laboratories, these samples were crushed to minus 2 mm. The crushed sample was then split using a Jones riffle splitter to produce 1kg of this material which was then pulverised to 75 microns. Sizing tests are done on this pulp to ensure a 90% pass rate.

The sample residue is kept in the storage as a reference sample. The 1 kg pulp is then split further using a narrow aperture riffle splitter to produce 20g of sample pulp which was air freighted to ALS Chemex laboratory in Johannesburg, RSA. At ALS Chemex, the samples were analyzed by the so-called AA62 and AA05 methods. AA62 is an atomic absorption technique preceded by a four acid digestion (hydro-fluoric, nitric, sulphuric and hydro-chloric leach). This gives the total Cu, Co & CaO content. Values are returned in the ranges from 0.01 – 50% for Cu, 0.002 – 30% for Co and 0.05 – 50% for CaO. AA05 uses a sulphuric acid leach and an atomic absorption finish to produce the non-sulphide Cu content. The initial sample batches were also analyzed for Ag, but as all results were returned at the lower limit of detection, it was decided to discontinue this.

Samples from the 2005 drilling programme were dispatched to A.H. Knight Laboratories in Kitwe, Zambia for preparation and the pulps dispatched from A.H. Knight Laboratories to ALS Chemex laboratories in South Africa for copper and cobalt analysis. Anvil felt that this was not an entirely satisfactory arrangement and stopped sending the Kinsevere samples to Kitwe near the end of 2005.

In 2006 and early 2007, samples from drilling were sent directly to ALS Chemex laboratories in South Africa for copper and cobalt analysis. This practice was changed in early 2007 so that the samples were prepared at Anvil's Kinsevere sample preparation facility in order to cut down on the cost of air-freighting samples to South Africa and to be able to insert standard materials into the sample stream so that they would be blind to the laboratory.

ALS Chemex is a leading supplier of analytical and assaying services to the mining industry worldwide, and the laboratory complies with the international standards ISO 9001:2000 and ISO 17205:2005. All sample preparation protocols, analytical methods used and security procedures adopted are considered to have been appropriate and suitable for the Kinsevere Project.

Sample materials submitted for sample preparation were crushed to minus 2 mm, split with a Jones riffle splitter to produce a 1 kg sample, and pulverised to 75 microns. Sizing tests were conducted to ensure a 90% pass rate for the pulverised material (pulp). The 2 mm sample residue was kept in storage at the laboratory as a reference sample. The 1 kg of pulp was split further, using a narrow aperture riffle splitter, to produce a 20 g pulp for assay.

All samples were submitted for two analyses to determine total copper and acid-soluble copper values. Total copper was determined by a four acid digest (HF-HNO3-HClO4 digestion, with HCl leach), followed by analysis by ICP-AES or AAS (detection range 0.01-40%) – ALS Chemex code AA62. Acid soluble copper was determined by a sulphuric acid leach, followed by an AAS analysis – ALS Chemex code Cu-AA05.

Results were reported via e-mail to the Data Manager in the Lubumbashi Exploration Office and stored on the laboratory database.

Data Verification and Quality Control Measures

The Qualified Persons in this report have verified the data relied upon by conducting the following:

- Insertion of blind Certified Reference Materials;
- Cross-checks of duplicate samples at independent laboratories;
- Comparison of results from different drill types;

- Independent audit of database prior to resource estimation;
- Reconciliation of grade from production versus milling; and
- Visual inspection of core and mine workings.

All samples analysed on behalf of Anvil have been analysed at ALS Chemex Laboratories, Johannesburg with inserted blanks and certified reference materials as part of Anvil's quality control and quality assurance (QAQC) measures.

Certified reference material ("standards") sample duplicates and "blanks" were inserted into all sample batches submitted to the laboratory. A standard and duplicate were submitted for every 20 samples dispatched, and a blank was submitted for every 50 samples.

The QAQC data collected by Anvil was reviewed by FinOre in 2005 and 2006 and by CSA in 2007 as part of their resource estimates (Appendix A). CSA (2007) concluded that "Over the three generations of QAQC data no significant problems were identified which indicate that the assay results reported during this period are satisfactorily reliable and accurate. It is CSA's understanding that the anomalous QAQC data from the 2005 and 2006 QAQC analyses were the result of sample numbering issues, that Anvil has addressed the few issues reported by FinOre in the 2005 and 2006 QAQC data, and that Anvil has acted on the recommendations made".

Mineral Resource and Mineral Reserve Estimates

The total Measured and Indicated Mineral Resource as at December 2008 was 29.8 million tonnes at a grade of 3.78% for 1.1 million tonnes of contained copper and the total Inferred Mineral Resource as at December 2008 was 14.1 million tonnes at a grade of 3.6% for 507,000 tonnes of contained copper. Tables 2 and 3 present a summary of the Mineral Resource estimate at December 2008 and the Mineral Reserve estimate at November 2008 for Kinsevere.

Table 2. December 2008 Mineral Resource Estimate: Kinsevere

Kinsevere Oxide Measured and Indicated Mineral Resource estimate					
Resource Category	**MTonnes**	**TCu %**	**ASCu %**	**Cu kTonnes**	**ASCu kTonnes**
Indicated	16.4	3.59	2.80	588.4	458.9
Measured	9.6	4.13	3.54	397.3	339.5
Measured & Indicated	**26.0**	**3.79**	**3.07**	**985.7**	**798.4**

Kinsevere Sulphide Measured and Indicated Mineral Resource estimate			
Resource Category	**MTonnes**	**TCu %**	**Cu kTonnes**
Indicated	3.7	3.73	137.9
Measured	0.06	2.16	1.3
Measured & Indicated	**3.76**	**3.70**	**139.2**

Total Kinsevere Measured and Indicated Mineral Resource estimate			
Resource Category	**MTonnes**	**TCu %**	**Cu kTonnes**
Measured and Indicated (Oxide and Sulphide)	**29.76**	**3.78**	**1,124.9**

Kinsevere Oxide Inferred Mineral Resource estimate					
Resource Category	**Mtonnes**	**TCu %**	**ASCu %**	**Cu kTonnes**	**ASCu kTonnes**
Inferred	**1.54**	**3.85**	**2.81**	**59.3**	**43.3**

Kinsevere Sulphide Inferred Mineral Resource estimate			
Resource Category	**MTonnes**	**TCu %**	**Cu kTonnes**
Inferred	**12.6**	**3.54**	**447.4**

Total Kinsevere Inferred Mineral Resource estimate			
Resource Category	**MTonnes**	**TCu %**	**Cu kTonnes**
Inferred (Oxide and Sulphide)	**14.1**	**3.59**	**506.7**

(1) The Mineral Resource estimates are based on geologically controlled interpretations of copper mineralised zones, defined by RC and diamond drillhole intersections. Cu grades have been interpolated, using ordinary kriging with appropriate parameters into a 3D cell model, constrained by wire frames of the interpretation. Resource tonnages and grades are reported using a 0.7% Cu cut-off, and represent the remaining estimated resources as at December 2008.

(2) The Mineral Resources at the Kinsevere mine are reported in accordance with National Instrument 43-101.

Table 3. November 2008 Mineral Reserve summary: Kinsevere

Category	Tonnes (K Tonnes)	Total Copper Grade (%)	Contained Copper (Tonnes)
Proven	8,513	4.00	340,570
Probable	9,001	3.95	355,330
Probable (stockpiles)	2,688	2.72	73,120
Total Proven and Probable	**20,202**	**3.81**	**769,020**

(1) The Mineral Reserve is based on resource optimisations, detailed pit designs and production schedules determined as at November 2008.

(2) The Mineral Reserves at the Kinsevere Mine are reported in accordance with National Instrument 43-101.

Kinsevere Mine Development

In May 2006, following completion of a feasibility study, the Company committed to a $35 million Stage I development at Kinsevere which comprised an HMS plant and an EAF. The HMS plant was commissioned in June 2007 and the first of the two furnaces that make up the EAF facility was commissioned during the third quarter of 2008.

An Environmental Impact Assessment ("EIA") for the Stage I development of the Kinsevere mine was completed in June 2006 by African Mining Consultants, an engineering and environmental consultancy company based in Kitwe, Zambia. AMC identified no areas of major concern in their initial environmental assessment of the mine. In conjunction with the updated feasibility study, the EIA was updated to include the following objectives:

- Determine baseline conditions for the Stage II expansion;
- Identify potential impacts associated with the Stage II expansion; and
- Develop an Environmental Management Plan to prevent, reduce, mitigate and rehabilitate the impacts identified during the Stage II expansion.

This included work undertaken to identify the social and economic conditions existing in the Kinsevere mine area. A survey of the local villages indicated that the community generally considers that the Kinsevere Stage II expansion will be beneficial. Should the construction and development of Stage II resume, the Company is expected to employ a peak workforce of 1,500 people over a nine to twelve month period. Should the SX-EW plant become operational, the Company is expected to require approximately 250 permanent employees, mainly from the surrounding villages and from the city of Lubumbashi.

Copper Production

Kinsevere is the third copper mine that the Company has brought into commercial production in the DRC. Mining operations commenced in December 2006, with the first copper concentrate production from the HMS plant taking place in June 2007. The HMS plant was successfully commissioned in the second quarter of 2007 and its design capacity of 1,380 tonnes per day (500,000 tonnes per year) was reached in the third quarter to produce at an annual rate of 23-25,000 tonnes of copper in concentrate. For the 2008 year, the Kinsevere mine produced 22,858 tonnes of copper contained in concentrates. Kinsevere copper production for 2008 and 2007 is shown in Table 4:

Table 4. Annual Production 2007-2008: Kinsevere

		2008	2007
Ore mined	tonnes	2,653,103	918,545
Ore processed	tonnes	350,027	173,161
Feed grade	% Cu	9.5	10.5
Contained copper	tonnes	33,159	18,153
Copper recovery	%	69.0	71.6
Copper produced in concentrate	tonnes	22,858	13,006
Copper produced in Blister	tonnes	820	-

(1) Ore processed at Kinsevere relates to ore processed through the HMS plant.
(2) Grade of concentrates is approximately 27% copper.
(3) A portion of the copper concentrates was fed to the EAF to produce blister copper, grading 92-94% Cu. The copper contained in blisters is included in the above Kinsevere production. For the fourth quarter of 2008 and the full year 2008 production of blister copper was 59 tonnes and 820 tonnes respectively.

Environmental and Social Impact of Kinsevere Stage II

Preparation of a detailed EIA and EMP document is currently in progress. Anvil's consultant Knight Piesold, has completed all of the required field programmes and technical assessments. A flora survey within the Project site identified the presence of various plants of conservation importance, including the particularly rare Gladiolus robiliartianus. To mitigate the Project impact, AMCK has established a floral reserve and is cultivating specimens for replanting.

A Social Impact Assessment was undertaken to identify the existing social and economic conditions existing in the Project area. A survey of the local villages indicated that the community generally considers that the Project will be beneficial, although most respondents also thought that there were potential associated risks.

The adoption of 'direct tailings disposal' and a hybrid design TSF will likely be subject to particular environmental scrutiny. In the unlikely event that both the TSF and process water pond reach full capacity, one of the process plant thickener tanks can be converted to treat water for pH correction and heavy metals removal before discharging.

Tailings design has taken into account a 1:1000 years 24 hour storm event and therefore the risks of spillage are considered very small. The tailings design complies with the DRC code.

There are potential social risks to the Company's reputation and to the local communities during Project construction. By maintaining community and government support, engaging communities, enhancing and building on social initiatives and delivering on all social commitments, the Company will mitigate any risks and help enhance it's interaction with local communities.

The Company's community development projects continue to address the local communities' needs for basic infrastructure and economic development, with clean water, health and education the primary components of the Company's community development program.

Following the successful commissioning of 13 water boreholes in surrounding villages, construction of two schools and a health facility began in September 2007. Programs to increase food crop production, adult savings and literacy are also in place and the construction of a new market is scheduled for late 2007.

The commencement of early works on Stage II has resulted in the Company undertaking a number of 'in-community recruitment drives' to support the development of the Project and to date, 80 labour positions have been filled. This is consistent with the Company's goal of maximising local employment.

Further Information

For further information regarding the Kinsevere mine and Stage II expansion, reference can be made to the Technical Reports dated December 21, 2005, May 10, 2007 and March 26, 2008 which are available on SEDAR at www.sedar.com.

THE DIKULUSHI MINE

Mine Description and Location

The Dikulushi mine is located in the province of Katanga in the south-east of the DRC, 400 kilometres by road north of the provincial capital, Lubumbashi. The Dikulushi mine is located at latitude and longitude 08° 53' South and 28° 16' East, approximately 25 kilometres west from Lake Mweru. The nearest significant town to the mine site is Kilwa, which is located 50 kilometres to the south. Kilwa is located on the western shore of Lake Mweru and is on the principal access route for the mine.

The mineral rights of the Dikulushi mine comprise an Exploitation Permit of 40.77 km^2 (PE606) and 21 Exploration Permits covering an area of approximately 8,000 km^2, all of which are held through AMC. These mineral rights are held under the Dikulushi Mining Convention signed with the Government of the DRC on January 31, 1998 and ratified by Presidential Decree on February 27, 1998. PE 606 is valid until January 30, 2022 and the majority of the exploration tenements are valid until May 2011.

The Company has a 90% equity interest in the Dikulushi mine. The remaining 10% of the equity in the Dikulushi mine is held in trust by the Company for the economic, social and infrastructure development of the Dikulushi region. The Company has a responsibility to assist in ensuring that the local community benefits appropriately from the activities of the Company and emanating from the Convention.

Power for the Dikulushi mine is supplied by a dedicated power station, containing five diesel driven generator sets, with three required for normal operation. Process water is a combination of reclaimed water from tailings, overflow fresh water from bore holes and river water. Potable water comes from a bore hole below the camp and from a network of boreholes near the open pit.

The tailings storage facility is located a short distance from the processing plant and has capacity to be increased in size. It consists of one working and one full paddock.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

AMC established its own barge facility on Lake Mweru in order to have reliable and efficient access in and out of the DRC and the Dikulushi mine. Supplies come into the DRC via the barge and concentrates are exported from the DRC via the same facility. The barge was fabricated in South Africa and trucked in sections to the Zambian town of Nchelenge, on the eastern side of Lake Mweru. Following assembly at Nchelenge during the early part of 2002, the barge was launched in June 2002. The barge is 48 metres long and 10 metres wide and capable of transporting cargoes of up to 250 tonnes.

The barging facility allows the AVM Group to take advantage of the better-developed infrastructure available in Zambia with its direct connections to neighbouring countries to the south. The sealed road starting at Nchelenge connects to South Africa. The facilities at Nchelenge were upgraded during 2006 to include a concentrate warehouse to facilitate the export of concentrate from the DRC to Nchelenge where road trucks can now directly load concentrate at Nchelenge.

A 1,200 metre long dirt airstrip at the Dikulushi mine was completed in October, 2005 and personnel are flown directly to the mine site by charter flight from Lubumbashi (flight time approximately one hour).

The Dikulushi mine is situated on a plateau approximately 1,000 metres above sea level. The neighbouring area is almost entirely covered with natural woodland and forest, interrupted in the low areas by fields of cassava and by localised clearing. The plateau rises into the Kundelungu mountain range some 60 kilometres to the west of the Dikulushi mine and drops off sharply 25 kilometres east of the Dikulushi mine along a major fault marking the edge of Lake Mweru. Few rivers drain into Lake Mweru from the DRC. A minor ephemeral stream runs nearby the Dikulushi mine. Lake Mweru is fed by the Luapula River which, along with Lake Mweru, forms the international boundary between Zambia and the DRC.

The climate of the area is tropical wet-and-dry. There are distinct wet and dry seasons. The wet season begins towards the end of September and finishes at the end of April. The average rainfall, as indicated by mission records, is 1,360mm, with a range of 800mm to 2,200mm. The wet season does not generally inhibit the mining and processing operations, but does inhibit exploration activities.

History

Previous Explorers

Copper mineralisation at the Dikulushi mine was first reported in the early part of the 20th Century. Subsequent assessments were made in the 1950s, and more thoroughly by the French group, the Bureau de Recherches Géologiques et Minières ("BRGM") in the 1970s and 1980s. The BRGM withdrew from the area on which the Dikulushi mine is situated and from Zaïre (as the DRC was known prior to 1997) in the late 1980s.

Dikulushi Mining Convention

In 1996, Anvil Mining NL ("Anvil NL") submitted the Dikulushi Mining Convention application to the Government of Zaïre for the Dikulushi deposit and surrounding area and the first part of the documentation required to give full legal effect to the Dikulushi Mining Convention was signed in January 1997. The Dikulushi Mining Convention was subsequently renegotiated (with no material changes) with the new Kabila Government and signed on January 31, 1998. A presidential decree was issued the following month ratifying the Dikulushi Mining Convention.

Dikulushi Drilling Program: 1997

During the latter half of 1997, Anvil NL carried out a comprehensive drilling program comprising 26 Reverse Circulation ("RC") holes and 18 diamond drill holes ("DDH") which, together with the results of the earlier BRGM work, formed the basis for a pre-feasibility study carried out by Perth based engineering consultants, Signet Engineering in early 1998. The pre-feasibility study supported a decision to initiate development of the Dikulushi deposit, but this intention was overtaken by adverse political events. During the hiatus, which lasted for several

years, Anvil NL revised its development plans and as the political situation in the country improved, began laying plans for a staged development strategy involving a relatively low-cost open pit mine and a HMS processing plant.

Dikulushi Stage I Development

Following the commitment for a mine financing facility, which was signed in July 2001, Anvil NL began to make preparations to develop the mine. The first work undertaken was the purchase of a barge in sections in South Africa. By October 2002, Stage I of the Dikulushi mine had been brought into commercial production at a designed capacity of 240,000 tonnes of ore *per annum* for a capital cost of approximately $6.2 million. RMBI provided a mine financing facility of $4.5 million for this development.

In October 2003, Anvil NL reached agreement with RMBI to expand the existing mine financing facility in an amount authorised up to $8 million, in order to undertake the Stage II expansion of the Dikulushi mine. Stage II involved the replacement of the existing HMS plant with ball mill and flotation circuits.

The copper-silver concentrate from the Stage I operation, which averaged approximately 38% copper and 900 g/t silver, was transported out of the DRC by barge across Lake Mweru into Zambia and then by road to smelters located in South Africa and Namibia. Floats from the HMS circuit (usually grading over 2% copper and over 50 g/t silver) and tailings (usually grading over 4.5% and 100 g/t silver) were stockpiled for subsequent treatment through the Stage II flotation plant.

Nchelenge Port Facility

The barge on which the copper-silver concentrate is transported travels between Kilwa on the DRC side of Lake Mweru and Nchelenge on the Zambia side of Lake Mweru. The docking facility at Nchelenge is owned by a separate wholly-owned subsidiary of the Company, Anvil Mining Zambia Ltd. The Nchelenge facility comprises a jetty made of rock and earth that extends into the lake, a concentrate warehouse facility, a concrete ramp and an office building. Anvil Mining Zambia Limited owns the property on which the facility is located under an investment licence issued by the Government of Zambia.

Deep Drilling below the Open Pit: 2003

In June 2003, an RC and diamond drilling program was commenced to test (i) new occurrences of disseminated chalcocite mineralisation occurring adjacent to the main Dikulushi vein, and (ii) depth extensions to the main Dikulushi vein just below the base of the currently designed open pit. Significant mineralisation was intersected on both targets.

The deep drilling program comprised 885 metres of diamond drilling. These results were used for a re-optimisation of the then current open pit plan. This drilling program returned intersections of 25.4 metres of 12.08% Cu and 404 g/t silver at a vertical depth of 132-154 metres and 10.32 metres of 16.6% Cu and 560 g/t silver at a vertical depth of 152 to 161 metres.

Spiral Circuit

In June 2003 a spiral concentrator circuit was installed in order to retreat the less than 0.5 mm fraction. This improved the overall copper recovery for the operation from 65% of the –16 mm + 0.5 mm fraction to approximately 69% of the –16 mm +0.0 mm fraction. The cost of the spiral circuit was $91,000 and the payback was approximately 15 days. The spiral circuit was decommissioned in October 2004 at the time the HMS plant was upgraded to a ball mill and flotation processing operation.

RC Drilling Program: 2003

A shallow RC drilling program comprising 1,370 metres was also carried out to test disseminated chalcocite and secondary copper mineralisation discovered during the open pit mining operation in both the foot-wall and hanging-wall sandstones adjacent to the main footwall fault orebody.

Economic disseminated mineralisation was found to extend some 50 metres into the hanging-wall. From surface to a depth of 80 metres, the hanging-wall mineralisation was subsequently found to contain an extra 88,760 tonnes at an average grade of 3.2% copper and 98.6g/t silver. The hanging-wall mineralisation was contained within the then current pit design, so had the additional advantage of reducing the waste to ore ratio. This mineralisation was subsequently followed to depth as the open pit was deepened.

Mineral Reserve Estimation

From the commencement of operations, the geology within the open pit was mapped and, with results of the drilling, resulted in a re-interpretation of the mineralised envelope at the Dikulushi mine. A re-estimation of the Mineral Resources according to the JORC code as at June 30, 2003 was completed by Christopher Arnold, a DevMin Pty Ltd ("DevMin") resource geologist, following a five day field inspection of the mine in early September 2003.

Mine Plan

In August 2003, DevMin was approached by Anvil NL to undertake the open pit mine plan study to estimate the remaining open pit reserves and prepare a life-of-mine schedule for the Dikulushi mine. The life-of-mine schedule took into account, the installation of the Stage II flotation plant in September 2004. This work showed that with then current economic parameters, the feasible depth for open pit mining at the Dikulushi mine could potentially extend to 150 metres below surface. Considering the capital investment required to develop the underground mine and the remote location of the Dikulushi mine, the AVM Group decided to develop the open pit to its maximum economic depth.

Deep Drilling Program at Dikulushi: 2004 – 2006

On July 28, 2004, the Company announced the results of a 14 drill-hole program (totalling 3,767 metres) completed during the quarter ending June 2004 on the Dikulushi deposit. The aim of the program was to test for extensions of the Dikulushi deposit below the base of the 120-metre pit design. The results of the program indicated that the resource down dip could be extended to a vertical depth of approximately 300 metres.

The results of this program produced a Measured and Indicated Mineral Resource as at July 2004 of 1,242,640 tonnes at a grade of 7.6% copper and 221 g/t of silver, containing 94,813 tonnes of copper metal. A further Inferred Mineral Resource of 412,000 tonnes at a grade of 8.3% copper and 170 g/t of silver containing 34,196 tonnes of copper was also identified. See "Mineral Resource Estimate" for an updated resource estimate.

A further deep drilling program commenced in November 2005 and was completed in the second quarter 2006. The aim of the 2005/2006 drilling programs was to extend the resource base from 300 metres to 400 metres below surface. This was successfully achieved, with the deepest significant intercept, being at approximately 380 metres below surface. Eleven DDHs were completed in the 2005/2006 programs, for a total of 4,410 metres of drilling.

At the end of these drilling programs, the geology of the Dikulushi deposit was reviewed and a revised interpretation was completed prior to completing a new Mineral Resource estimate. This review demonstrated that several of the earlier deep drill holes were stopped prematurely, before intersecting the main Footwall Zone orebody, and a follow-up drill program to deepen the relevant holes was undertaken. The first extension, which was completed at the end of September 2006, intersected two zones of semi-massive to disseminated chalcocite.

In November 2006, the Company announced that drilling had resulted in a substantial increase in all resource categories with a 31% increase in contained copper metal for the Measured and Indicated Mineral Resource categories, and a 114% increase for the Inferred Mineral Resource category, compared to the 2005 year-end estimate. A summary of the Mineral Resource estimate, as at December 2008 is included on page 38.

Stage II Expansion

The AVM Group decided, in late 2003, to proceed with the next stage of the development, the Stage II expansion. The Stage II expansion which involved the addition of ball mill and flotation circuits was commissioned in September 2004 and was designed to increase copper and silver production by approximately 50% over Stage I

design, to approximately 20,000 tonnes of copper and approximately 1.6 million ounces of silver per year contained in concentrates.

The benefits of the Stage II development included (i) an increase in plant recoveries from 69% to over 85%, and (ii) an increase in concentrate grades from 38% copper and 900 g/t silver to 55% copper and 1,700 g/t silver. The Stage II development achieved these objectives when the second ball mill was commissioned in June 2005.

Development of the Underground Mine

A drilling program undertaken in 2004 supported a pre-feasibility study of an underground mining operation at Dikulushi. A further drilling program, undertaken during 2005 and 2006 provided for an upgrade of resource classification to a depth of 400 metres below surface for an underground mining operation. Following completion of a pre-feasibility study, work commenced in June 2006 on the development of an underground mining operation. At the end of the December Quarter, 2007 the decline and other underground development work had progressed approximately 2,806 metres.

During the second quarter of 2008, in response to concerns regarding the rate of underground development, the AVM Group determined that the underground mining method should be modified from a Sub-level Caving method to an Avoca cut and fill method. Work progressed on the underground mine until December 2008, at which time, owing to the low copper price, the AVM Group suspended concentrate production, postponed underground development work and initiated a care and maintenance program at the Dikulushi mine.

Geological Setting

The Dikulushi Mining Convention covers an area of essentially flat lying Katangan sediments, bounded by the Kibaran Fold Belt (1.6 – 1.0Ga) to the northwest, the Bangwelu Craton (2.5 – 1.6Ga) to the east, and the Lufilian Arc (1000 – 600Ma) to the south-west. The Katangan is comprised of three main supergroups, the Roan, the Lower Kundelungu, and the Upper Kundelungu, forming a sedimentary pile of up to 10 kilometres thick.

The deposit on which the Dikulushi mine is situated occurs within a fault zone, which juxtaposes clastic sediments of the Mongwe Siltstone and older calcareous sediments of the Kiaka Carbonates. The Mongwe Siltstone and the underlying Kiaka Carbonates lie immediately above the Petit Conglomerate, which is the basal unit of the Upper Kundelungu.

The Kiaka Carbonate comprises shallow water carbonate mudstones, flagstones, oolitic limestones and dol-arenites. The overlying Mongwe Siltstone comprises thinly interbedded, fine-grained sandstones and argillites.

In a regional sense, there is significant evidence of broad scale brecciation, silicification and copper vein mineralisation along this carbonate / sandstone contact, suggesting there has been considerable tectonic movement and fluid flow through the sediments. The Dikulushi mine mineralisation occurs in a fault that cuts across this contact.

Rock exposures in the Dikulushi mine open pit comprise the Mongwe Siltstone and the Kiaka Carbonates. Mongwe Siltstone comprises a finely bedded sequence of red sandstones, argillaceous sandstones, argillites and intraformational breccias. The bedding strikes north to northeast and dips steeply to the east. There is little evidence of deformation in the footwall Mongwe Siltstone.

Across the fault which host the Dikulushi mine deposit, Mongwe Siltstone in the hanging-wall have been subjected to intense brittle deformation as evidenced by severe disruption to bedding. Kiaka Carbonates, which are exposed in the hanging-wall in the northern end of the open pit, are intensely weathered and display little evidence of bedding or mappable sedimentary structures. These carbonates have been extensively silicified and brecciated.

Mineralisation

The mineralisation at Dikulushi can be broken into three distinct types:-

- **Massive chalcocite** is the most common mineralisation, occurring along 75% of the strike length of the footwall orebody from east to west. Grades of over 20% Cu are common and the silver ratio is much higher than the orebody average of 30g/t Ag per 1% Cu. Massive chalcocite can also be found in discrete fault zones in the hanging-wall ore zone.

- **Massive Bornite** is found in the western end of the footwall orebody, against the contact with the Kiaka Carbonates. The mineralisation is silver poor (<15g/t Ag per 1% Cu), but the more massive nature of the bornite results in higher copper grades (~30%Cu) - compared to chalcocite mineralisation. Discrete bornite veins have been found within the Kiaka Carbonates and are rare in the hanging-wall ore zone.

- **Disseminated Chalcocite** is found throughout the deposit; it occurs as disseminated "blebby" chalcocite and as thin 1mm disseminated veins.

Gangue minerals associated with the deposit include barite, calcite, quartz and siderite.

The top 30m of the deposit has been subject to superficial weathering, dissolution and oxidation. Malachite, azurite and chrysocolla replace the chalcocite in the oxidised zone, although significant chalcocite does occur relatively close to the surface. Indeed, the discovery outcrop was comprised of massive chalcocite. Minor malachite, chysocolla and azurite are also present at the current drilling depths of +350m.

Exploration and Drilling

The AVM Group has the exploration rights to an extensive area surrounding the Dikulushi mine that measures 8,069 km^2. As the exploration area is unusually large and very little exists by way of a geological database, the program has involved a significant amount of knowledge building orientation work. Considerable geological and structural information was revealed as the open pit at the Dikulushi mine progressed and this information has helped to shape the regional exploration programs.

Since discovery in the early 20th century, several phases of drilling have been carried out on the Dikulushi deposit, beginning with the assessments by the BRGM in the 1970's and 1980's. The BRGM completed 48 DDH holes (5,223m), of which 42 intersected the orebody. The Company has carried out several campaigns since 1997, the details of which are given in Table 5.

Diamond drilling has principally been of HQ size core, but with some holes reduced to NQ size. Core orientation has been by way of spear point marking at the end of suitable core breaks. On recovering the core from the hole it is orientated, where possible, and then logged for geotechnical defects, core recovery and geology.

The 1998 pre-feasibility model was constructed using the results of the diamond core drilling from the 1974-1981 BRGM and the results of the 1997 diamond and RC drilling programs of the Company.

AMC Program 1997

In 1997 the AVM Group carried out an exploration program at Dikulushi, which aimed at confirming the BRGM results and allow estimation of Mineral Resources to the standard of the Australian JORC Code. A total of 40 drill holes were completed using two drill rigs between August and November 1997. All holes were orientated at 60º towards an azimuth of 340º (grid north), and all holes were in the area previously drilled by the BRGM. The estimates of resources and reserves were subsequently reviewed in the light of the requirements of NI-43-101.

A total of 18 HQ and NQ DDH's (DDHs1-14 and DDHs15, 19, 20, and 38), including 4 with RC pre-collars were completed in the 1997 diamond drilling program. Mineralisation was intersected in 17 of the 18 holes. Down-hole camera surveys were completed at least every 12 metres in the DDH and the results showed the DDH remained essentially straight with a maximum deflection of 2º in declination and 4º in azimuth. A core orientation spear was also run after every core run (usually 3 metres). On recovering the core, it was orientated, when possible, and then logged for geotechnical defects, core recovery and geology. Core recovery averaged about 90%, except for minor soil, sandy and cavernous zones. Recoveries in mineralised zones are reported to have been about 90%.

A total of 22 RC drill holes (DRC16-18, 21-37, 39, and 40) were completed during the 1997 program using a booster compressor, which was essential due to large water inflows and broken ground. Mineralisation was intersected in 19 of the 22 RC holes. None of the wholly RC drilled holes was down-hole surveyed. Four RC pre-collared holes were surveyed throughout their length but due to the presence of steel casing, only the cored section returned valid azimuth readings. The dip variations in these holes were minor, however the cored sections showed consistent anticlockwise azimuth rotation of between 9-18º. Consequently, an average azimuth correction factor of 3.2º anti-clockwise deviation per 20 metre down-hole was entered into the RC drill hole database to compensate for this interpreted drill hole rotation. Of the holes drilled during the 1997 program, 11 DDH and 6 RC drill holes were specifically collared to twin earlier BRGM DDH.

The Company also cleaned out and re-sampled six trenches and four test pits that were originally dug and sampled by the BRGM. A total of 90 channel samples and 18 rock-chip samples (pits) were taken from 191 metres of trenching as well as 18 rock chip samples from pits. Orientation soil and stream sampling and other regional reconnaissance sampling and exploration were also completed by AMC in 1997.

AMC Programs 2002 & 2003

The drilling programs carried out in 2002 and 2003 were partly undertaken in response to the observation in Munro (1998) that as the "upper 30 metres of the deposit is poorly defined, infill pattern diamond drilling is required", along with the need to clarify the extent of the mineralisation and to sterilise certain areas prior to the commencement of mining.

The diamond core drilling procedures used during the 2002 and 2003 programs were compatible with those of the 1997 AMC drilling program. A Stanley Drilling Longyear 38 Rig was used in the 2002-03 programs. To avoid the need to reduce core size at depth to NQ, the first 60m was drilled using PQ diameter, followed by HQ. This practice ensures that a good volume of mineralised intercept core is available for both assay and archive.

Core orientation procedures were routinely conducted, although drilling conditions at times limited successful achievement of orientation results. Core recoveries across the mineralised horizons typically exceeded 95%.

Regrettably, all archived core from the 1997 and 2002 campaigns was rendered useless after core trays were overturned by army units during the latter stages of the civil war. Fortunately, photographs of this core, taken for geotechnical purposes, are still available.

AMC Program 2004

The objective of the 2004 program was to extend the resource down to 300m below surface, and to provide data for a pre-feasibility study on an underground mine. Fourteen holes for a total of 3,811 metres were pre-collared with RC (414 metres) and drilled to a maximum ore intercept depth of 280m below surface.

The diamond core drilling procedures used during the 2004 program were largely compatible with those of the previous two programs, although core recoveries were not as good due to technical problems with the rig. Stanley Drilling was the contractor for both the RC and diamond drilling.

Down-hole surveys were carried out at 50 metre intervals using an Eastman camera. Core orientation was attempted using the spear method, but poor ground conditions rendered the data to be of little practical use.

AMC Program 2005/6

The aim of the 2005/2006 drilling program, which commenced in November 2005, and was completed in April 2006, was to increase confidence in the geological model and to upgrade the resource classifications to a depth of 400 metres below surface, for a possible future underground mining operation. The extension of the resource base from 300 metres to 400 metres below surface was successfully achieved, with the deepest significant intercept, being at approximately 380 metres below surface. The revised geological interpretation and assay results from this

deep diamond drilling program formed the basis of an updated Mineral Resource estimate that was released in November 2006.

Eleven DDH's were completed in the 2005/2006 programs, for a total of 4,410 metres. The program was drilled with one of the AVM Group's Boart Longyear LF90 rigs, managed by Wallis Drilling. The holes were drilled to 45 metres with HQ (to which depth the holes were cased) and drilling continued with NQ. Drilling procedures were upgraded following recommendations made by Arnold (2004b), and included reducing the down-hole survey interval (to approximately 30 metres) and establishing the daily maintenance of an up-to-date digital database of geological and geotechnical logs, survey data, and QA/QC data.

Each hole was surveyed every 30-40 metres, using a single shot Tropari tool. Drilling procedures were similar to those of the 2004 program.

AMC Program 2007

The aim of the 2007 Phase 2 deep drilling program was to complete the work that commenced in 2006 with the Phase 1 drilling program to provide for increased confidence in the geological model and an upgrade of the resource classifications to a depth of 400 metres below surface, a pre-requisite to planning the underground mining operation. The extension of the resource base from 300 metres to 400 metres below surface was successfully achieved, with the deepest significant intercept, being at approximately 440 metres below surface. Eleven DDHs were drilled for a total depth of 2,184 metres.

The holes were drilled with one of the AVM Group's Boart Longyear LF90 drill-rigs, managed by Wallis Drilling. The holes were drilled to a depth of 45 metres with HQ (to which depth the holes were cased) and drilling continued with NQ. Drilling procedures were upgraded following recommendations made by Arnold (2004b), and included reducing the down-hole survey interval (to approximately 30m) and establishing the daily maintenance of an up-to-date digital database of geological and geotechnical logs, survey data, and QA/QC data. Each hole was surveyed every 30-40 metres, using a multi-shot tool. Drilling procedures were similar to those of the 2004 program.

The long postponed follow-up drilling of the various geochemical and geophysical anomalies around the so-called Dikulushi anticline was virtually completed. The aim of this programme is to delineate deposits that can be worked by open cast, in close proximity to the existing mine infrastructure. A total of 23,483 metres of RC was drilled using two contract drill-rigs. The most successful was at the Boom Gate anomaly, less than one kilometre south of the Dikulushi pit. At year end, a mineralised zone some 8 metres wide by at least 200 metres long had been delineated. The mineralisation is steeply dipping and open-ended beyond 85m depth, and provisional results indicate average grades of approximately 3% copper.

AMC Program 2008

During 2008, a total of 77 RC holes were drilled for 6,879 metres at the Kazumbalu, Kipako and Maluka prospects, with no significant mineralisation intersected. Table 5 shows the details of drilling carried out at Dikulushi since 1974.

Table 5. Drilling programs at Dikulushi (1974 – 2008)

Company	Period	Type	No. Holes	Metres	Sequence
BRGM	1974-1981	DDH	48	5,226	DIK1-47
AMC	1997	DDH	18	2,115	DDH1-14, DR15, 19, 20, 38
		RC	26	2,305	DRC15-40
	2000	RC	22	786	DRC043-064
	2003	DDH	4	885	DDH16-19
		RC	21	1,768	DRC065-085
	2004	RC/DDH	14	414/3,811	DDH020-035 (no 032)
	2005-2006	DDH	15	4110	DDD38-47
	2006-2007	DDH	11	2337	DDD48-59 to date
	2007	RC	305	23,483	DKRC101-322, KZBRC001-069, KITRC001-014
	2008	RC	77	6,879	KZBRC104-138, KIPRC001-014; MWKRC001-MWRC029

Geophysical surveys

Ground magnetic surveying of a number of geochemical targets that occur within 5 kilometres of the mine commenced during 2006 and drill testing of these targets took place in 2007. In addition, interpretation of the 30,000 line kilometre regional airborne magnetic and radiometric survey that was completed during the first quarter of 2007 was used to assist in establishing new targets for geochemical sampling.

Sampling and Analysis

Geologists and technicians routinely carry out sampling of mineralised drill core and RC cuttings during all drilling programs undertaken at the Dikulushi mine and elsewhere in the Dikulushi Mining Convention area.

The site geologist completes geological logging, decides where samples are to be taken, records sample numbers on log forms, selects the quarter core to be sampled and places the core into calico bags marked with the sample number. The site geologist also completes sample tag book butts with sample details and places the correctly numbered sample tag in the sample bag.

During the first drilling program in 1997, since the geological staff on site had no prior experience of this mineralisation style or in relating grades to the appearance of the core, samples were generally taken from regular one metre intervals. Samples were taken from every interval in which copper was observed (or suspected) and for at least one metre either side. As local skill levels and the AVM Group's understanding of the geology have improved, sampling has become more geologically controlled for the more recent drilling campaigns.

Security of Samples

Individual samples are collected into hessian sacks, submission letters for the laboratory are prepared, clearance documentation for DRC customs are prepared, and the samples with paperwork are sent on to the laboratory. For the 1997 program, samples were padlocked into metal or wooden trunks for airfreight to Johannesburg, South Africa ("RSA") via Lubumbashi. Time elapsed between drilling and samples arriving at the Johannesburg laboratory ranged from three to six weeks. For the 2002 and 2003 campaigns, samples were prepared and assayed at the on-site mine laboratory, which had been set up by African Assay Laboratories. For the 2004 campaign, half core samples were air-freighted to Genalysis in Perth, Western Australia.

For the 2005 and 2006 drilling campaign, core samples were shipped by road to A.H.Knight ("AHK") in Kitwe, Zambia, for sample preparation, before being air-freighted to ALS Chemex in Johannesburg, RSA for analysis, and the pulps were analysed at the ALS Chemex Laboratory in Johannesburg, RSA. The ALS Chemex Laboratory is a modern, well-equipped and well-managed analytical facility, having an international accreditation for base and

precious metals analysis. Routine QA/QC checks were applied throughout the drill program, including the submission of certified reference materials, duplicate samples and blanks.

Appropriate measures have been and continue to be taken during the drilling programs and subsequent sampling to ensure the integrity of the samples.

Data Verification

For the analysis of the 2005 and 2006 data, for quality assurance/quality control (QA/QC) purposes, certified reference material "standards" and in-house "blanks" (made from broken glass) were inserted into each sample batch, on the mine site, prior to delivery to the sample preparation laboratory. One of each was inserted for every fifteen samples, spread evenly throughout the batch. The sample preparation laboratory was instructed to insert a similar number of duplicate pulp samples into each batch prior to forwarding to the assay laboratory.

The only issue raised by the QA/QC checks was a low assay bias reported for the Standard GBM902-5 (certified as 2.6% copper). 50% and 75% of the reported check assays of this standard, for batches 1 and 2, respectively, fell beyond two standard deviations of the certified value. An investigation at ALS Chemex revealed that the internal laboratory standards had reported within acceptable limits for the same batches, although the laboratory did acknowledge that higher grade samples (>14%) were reporting slightly low (by just over 10%). Given that only the highest grade standard used had revealed a low bias, and the highest grade samples were re-assayed, anyway, the data were considered acceptable for the purposes of resource estimation. In addition, repeat assays of a randomly selected suite of samples from around the standard in question, in terms of order of analysis, revealed an excellent correlation between the original value and the repeats.

The in-house blanks reported slightly higher than ideal (because they were made from ordinary glass), but they were easy to distinguish from normal samples, and were thus able to be used to demonstrate that there had been no mixing or mislabelling of samples. One such case was recognised and was easily fixed.

Duplicate pulps reported an excellent correlation with their twin samples.

Mineral Resource Estimate

For the purposes of the preliminary work involved in establishing Mineral Reserves and Resources, the AVM Group's geologists employed at the Dikulushi mine interpret geological domains and ore envelopes. The Mineral Resource estimates are based on geologically controlled interpretations of copper mineralisation zones, defined by drill intersections, and augmented by information from open pit mining and underground development exposures.

A large proportion of the resource (77%) falls into the Measured and Indicated categories confirming the adequacy of the drilling down to a depth of approximately 400 metres below surface.

Not included in the Mineral Resources and Reserve estimate statement set out below are the stockpiles of HMS floats and tailings, which have been produced by the processing of ore through the HMS plant (2002-2004) and which will be reprocessed through the Stage II plant; and the ROM stockpile. The HMS floats and tails comprise 201,095 tonnes at a grade of 3.4% copper and 101 grams of silver per tonne. The HMS floats and tails are being evaluated to determine if they are capable of being economically processed through the ball mill and flotation circuit, which was commissioned in September 2004.

Table 6 below sets forth a summary of the AVM Group's estimate of the Mineral Resources at Dikulushi as at December 31, 2006.

Table 6. Dikulushi Mineral Resources *(1) (2)*

Resource Category	Tonnes (K Tonnes)	Total Copper Grade (% Cu)	Contained Copper Metal (Tonnes)	Silver (g/t)	Contained Silver Metal (Koz)
Measured	181	9.90	17,917	310	1,800
Indicated	811	6.55	53,090	167	4,300
Indicated Stockpile	880	1.16	10,218	27	756
Total Measured and Indicated	**1,872**	**4.34**	**81,225**	**115**	**6,856**
Inferred	313	4.16	13,010	121	1,200

(1) The Mineral Resource estimate is calculated as at April 2008 and is based on geologically controlled interpretations of copper mineralised zones, defined by intersections from RC and Diamond drill holes, and augmented by information from open pit mining and underground development. Cu and Ag grades have been interpolated, using ordinary kriging with appropriate parameters into a 3D cell model, constrained by wire frames of the interpretation. Resource tonnages and grades are reported using a 1.5% Cu cut-off, and represent the remaining estimated resources as at December 2008. The Mineral Resources at the Dikulushi mine are reported in accordance with National Instrument 43-101.

The deposit on which the Dikulushi mine is situated is open at depth, with the deep drilling program carried out at Dikulushi having demonstrated that the Dikulushi deposit extends to at least 400 metres below surface and potential therefore exists to follow the orebody to depth.

Mining Operations

The Dikulushi orebody has a strike length of 240 metres, varies in width from 5-15 metres, averaging 8 metres and dips at 75 degrees to the south. The orebody is open at depth but has been drilled to 400 metres below surface where ore quality is similar to that mined from the open pit. Mineral resources are 1,104,000 tonnes (Measured and Indicated) grading 6.9% copper and 181 grams per tonne silver, and 336,000 tonnes (Inferred) grading 4.3% copper and 169 grams per tones of silver.

The Dikulushi orebody consists of high-grade chalcocite and bornite. Diamond drilling affords good orebody definition and mining was by sub-level caving, but later modified to the Avoca mining method. African Explosives Zambia Limited performs the blasting associated with the mining operations. Dilution of ore is one aspect of sub-level caving that requires careful and constant monitoring. The visual sorting that takes place with blasted ore has proven to be successful so far.

In June 2005, the second ball mill was commissioned which increased throughput from 45 tonnes per hour ("tph") to 55 tph and allowed for the continued reprocessing of the residual HMS tailings and floats along with the high-grade ore from the open pit (that is currently stockpiled) and from the underground mining operation.

Up until November 2006, the Dikulushi mine was an open pit mining operation. In June 2006, work commenced on the development of an underground mine with production from the underground mine commencing in the fourth quarter of 2007. During the second quarter of 2008, the Company determined that the underground mining method should be modified from a Sub-level Caving method to an Avoca cut and fill method. During the period of underground mine development, feed to the plant was sourced primarily from stockpiled low-grade ore, supplemented with ore from the underground mine.

The underground mine has been accessed from a portal within the open pit at 925 metre elevation and a second access has been developed from surface (1,000m elevation) which has now linked with the original portal access. Opening up of the underground access is by means of a spiral ramp at a 1:7 gradient (14%), 5m x 5m in cross section. At 20 metre vertical intervals cross cuts are extended from the spiral ramp to intersect the orebody at right angles. From the crosscuts, ore drives are driven along strike to the east and west extremities of the orebody.

In December 2008, owing to the low copper price, the Group suspended concentrate production, postponed underground development work and initiated a care and maintenance program at its Dikulushi mine. While the resource remains open at depth and to the east, underground drilling and development work has ceased and the Company does not anticipate reopening of the Dikulushi mine in the foreseeable future.

Copper and Silver Production

The Dikulushi mine was commissioned in September 2002 and was brought into commercial production at the beginning of October 2002. The first shipment of concentrate weighed 120 tonnes, had an average grade of 41.7% copper and 825 g/t silver and was exported from the DRC on October 9, 2002. Since this time, the Dikulushi mine remained in continuous production until a care and maintenance program was initiated in December 2008.

For the year 2008, the Dikulushi mine delivered 463,094 tonnes of ore to the flotation concentrator at an average grade of 3.1% copper and 238 g/t silver to produce 1,095,801 ounces of silver. Total cash costs of operations (including a unitised per payable pound transport and realisation cost) were $1.67 per pound (after silver credits). Table 7 below shows Dikulushi production for 2007 and 2008.

Table 7. Annual Production 2007 - 2008: Dikulushi

		2008	2007
Ore mined	tonnes	101,064	19,945
Ore processed	tonnes	463,094	353,437
Feed grade	% Cu	3.1[1]	7.6
Contained copper	tonnes	14,326	27,045
Copper recovery	%	77.1	90.8
Copper produced in concentrate	tonnes	11,047	24,561
Silver produced in concentrate	ounces	1,095,801	2,451,269

1. During 2008, most of the feed to the plant was sourced primarily from low-grade stockpiles, supplemented by a small amount of ore from the underground mine.

Exploration and Development

As described above, on July 28, 2004 the Company announced the results of a 14 diamond drill hole program (totalling 3,767 metres of diamond drilling) completed during the June quarter, 2004. The aim of the program was to test for extensions of the Dikulushi deposit below the base of the open pit design. The drilling program was successful in extending the resource down dip to a vertical depth of around 300 metres. The results of the drilling program were set out in a news release dated July 28, 2004 a copy of which may be obtained on SEDAR at www.sedar.com.

A further drilling program, undertaken during 2005 and 2006, designed to extend the resource base from 300 metres to 400 metres below surface comprised of 11 DDHs for a total of 4,410 metres of drilling. The results of this drilling program were set out in a news release dated November 8, 2006 a copy of which may be obtained on SEDAR at www.sedar.com. In accordance with Canadian National Instrument 43-101, a new technical report was lodged on the SEDAR website at www.sedar.com on December 22, 2006.

Further Information

For further information regarding the Dikulushi mine, reference can be made to the Technical Report for the Dikulushi Copper-Silver Mine dated February 21, 2006 which is available on SEDAR at www.sedar.com.

THE MUTOSHI MINE

Description and Location

The Mutoshi mine is located 10 kilometres east of the mining centre of Kolwezi in the Katanga province in the southeast of the DRC and forms part of the Company's Mutoshi Copper-Cobalt project. Kolwezi is situated in the western extremity of the Central African Copperbelt, approximately 250 kilometres west of the provincial capital of Lubumbashi.

The Mutoshi mine was a high-grade, coarse-grained, malachite-rich concentration of tailings that were discharged into the Kulumaziba watercourse which extends downstream for a distance of approximately 14.5 kilometres. The tailings were derived from the former Mutoshi mine and the discharge point of the tailings into the Kulumaziba watercourse is located three kilometres to the east of the mine. Two generations of tailings exist; initially fine grained lower grade tailings were discharged during the 1960s and early 1970s and due to changes in the washing plant a coarser high grade tailings was discharged until the mine closed in 1987.

The Mutoshi mine is an exploration and mining joint venture between the Company (80%), and Gécamines, that is operated through a special purpose joint venture company, SMK. The leases PE 2604 ("Mutoshi") and PER 2812 ("Kulumaziba") cover the Kulu deposit. PE2604 has an area of 47.6 km^2 and PER 2812 has an area of 57.8 km^2. The Mutoshi mine covers the area from the former Mutoshi mine and the washing plant to the confluence of the Kulumaziba watercourse with Lake Nzilo.

In November 2006, the Company finalised an agreement for the acquisition of an additional 10% interest in the Mutoshi Copper-Cobalt project taking its interest in the joint venture from 70% to 80%.

A tailings storage facility is located a short distance from the processing plant, that consists of one working paddock with a surface area of around 5 acres.

Power to the site is currently supplied using three diesel driven generators located in an on-site power house facility. Process water is obtained from tails recovery and also pumped from the river. Water is stored in a small tank.

Accessibility, Climate, Local Resources, Infrastructure and Physiography

The Mutoshi tenement area lies on a plateau which has remnant natural woodland, mixed with cleared agricultural plots. It is approximately 1,350 metres above sea level. The property is accessed by an all-weather gravel road from the main regional centre, Kolwezi, which has a population estimated to be in excess of 100,000 people. The climate of the area is tropical, with distinct wet and dry seasons, neither of which have any effect on mining operations. The wet season starts at the beginning of October and finishes at the end of March. The rainfall is in the order of 1,360mm per annum, with a range of 800mm to 2,200mm.

Through the 1960's up to the early 1990's, the Kolwezi mining centre was one of the principal areas for the production of copper and cobalt in the Katangan Copperbelt. Several world class deposits were worked in the area and with 350,000 tonnes of copper metal having been produced per annum during peak production. The mine area is adjacent to a regional hydro-electrical power line originally established to supply Kolwezi and the mining industry. There is an ample supply of process water and the lease areas contain suitable land to establish mining, processing and infrastructure facilities.

History

The old Mutoshi mine originally began in 1904 as a gold mine, called the Ruwe Gold mine. The early history of Ruwe has yet to be fully researched; however Gécamines has records which indicate that during the period 1904 to 1949, official gold production amounted to 67,000 ounces. Minor amounts of platinum and palladium were also produced.

The Mutoshi stratiform copper-cobalt ore bodies were first drilled in the early 1920's but exploitation did not start until 1937. The mine closed in 1987 following pit wall collapses and corporate financial problems.

Gécamines established a washing plant on site in the mid-1950s to liberate the malachite from the Brêche orebody and upgrade the copper ore prior to transport to a concentrator in the town of Kolwezi. Only the coarser material was shipped to the concentrator. The fines, up to and including nodules of massive malachite to 5cm diameter were discharged as tailings into the Kulumaziba watercourse.

During the 1960s and early 1970s the plant discharged a fine tailings product. In the early 1970s the processing circuit was changed which resulted in the discharge of the coarse tailings.

Production records for the Brêche orebody indicate a total mined tonnage of 39.1 million tonnes of ore at an average grade of 1.8% copper for a contained 692,200 tonnes of copper metal.

Geological Setting

The Kulu deposit consists of nodules of copper carbonate, principally malachite and waste material consisting of weathered dolomites, sandstones and other sedimentary fragments. The action of the discharge water and natural flow during the wet season has winnowed the finer and low density particles progressively from the coarser and denser rock fragments which have accumulated in the base of the watercourse and levee banks and extend down the entire length of the watercourse.

Mineralisation

General

The Kulu deposit is a tailings deposit which has been discharged into an active fluvial sedimentary environment. The deposit comprises of two separate generations of tailings namely fine grained tailings and coarse grained tailings which were deposited into the watercourse over a total time period of approximately 27 years. The early generation of tailings consists of fine grained sands and slimes from a fine grinding circuit and the later generation of coarse grained tailings consists of rejects from a coarse crushing and trommel circuit, both of which were discharged from the old Mutoshi washing plant.

The coarse grained tailings overlie and fill channels in the fine grained tailings. In the top 10 kilometres of the watercourse the coarse tailings form the majority of the sediment base load in the watercourse. In the delta area over 90% of the sediment is "fine tailings derived". In the top 2.5 kilometres section of the watercourse, there is a clear spatial separation of the two tailings. The coarse tailings cleanly cut through the fine tailings and contacts between the two are sharp and definitive. From approximately the 2.5 kilometres mark downstream the two generations of tailings become mixed to a degree through the natural processes of erosion and fluvial sedimentation. This is evident by an increase in the concentration of fine grained material in the matrix of the coarse tailings and by the presence of thin layers of clay-rich, fine grained sand material deposited on the top of the coarse tailings in areas marginal to the present channel.

Fine Grained Tailings

The early generation of tailings is comprised of clay-rich, fine-grained sands and slimes produced from a fine grinding circuit. They have been deposited down the entire length of the watercourse and fill the watercourse base to the natural level of sedimentation. The fine tailings are generally equigranular, finely bedded and semi-compacted. They tend to be clay-rich, silt-rich or very fine sand-rich depending on the depositional environment. The dominant mineral phases are quartz with subordinate chlorite and minor hematite. This is similar to the mineralogy of the coarse tailings, confirming they both originate from the same source. The fine tailings underlie the coarse tailings and form elevated terrace banks in the watercourse. Numerous remnants or "islands" of fine tailings occur in the watercourse channel. They constitute the bulk of the sediment in the watercourse base in the lower reaches of the watercourse and in the delta area.

Coarse Grained Tailings

The coarse grained tailings comprise of unconsolidated, moderately sorted, fluviatile deposit of matrix-supported pebble gravel with subordinate coarse-grained to granular, pebble-rich sand. The discharge point for the tailings (the 0 kilometre mark) is 2.3 kilometres downstream from the washing plant and the tailings have spread down the entire length of Kulumaziba watercourse. They have eroded anastomosing channels through the pre-existing fine tailings and have also deposited as thin overbank deposits (+/- 50cm) on top of the fine tailings on the margin of the watercourse base.

Deposit of Tailings

The tailings feed into the Kulumaziba watercourse was a consistent size over the discharge period and through the processes of natural sediment transport and sorting the average grain size of the coarse tailings gradually decreases with distance downstream. Copper mineralisation in the Kulu tailings occurs in the form of massive, predominantly liberated, fine grains to pebbles of malachite. At the discharge point the maximum size of the malachite pebbles is in the range of 5cm to 6cm and there is a gradual decrease in the maximum size of the malachite pebbles with distance downstream. Below the 10 kilometre downstream mark, malachite pebbles rarely exceed 1cm in diameter.

The surface extent of the Kulumaziba deposit is clearly defined and traceable. The materials that form the deposit are clearly recognisable from the underlying soils, clay and materials of the preexisting creek channel.

There is a minor component of pseudomalachite. Low grade cobalt mineralisation occurs in the form of minute grains to 5cm diameter pebbles of heterogenite. The clay-rich fractions of the fine tailings are very low grade (0.3% to 0.6% Cu) whilst the more silty to sandy units grade in the range of 0.6% to 1.3% copper. In the coarse tailings the malachite occurs in all size ranges of the sands and gravels. Early metallurgical test work indicated that 70% of the copper occurs in the +0.6mm fraction. On average the tailings contain between 10% and 20% malachite equating to grades of 5% to 12% copper. Pebbles of malachite from 1cm to plus 4cm in diameter are common in the upper reaches of the river. Average malachite pebble size gradually decreases downstream to +/- 0.5cm diameter at 12.5 kilometres.

In general:

- both the average grain size and the average grade of the coarse tailings decrease with distance downstream;
- the average grade of the coarse tailings in the present channel is higher than the average grade of the coarse mixed tailings on the margins of the channel; and
- the average grade of the coarse mixed tailings is higher than the average grade of the fine mixed tailings.

Exploration and Drilling

Exploration of the Mutoshi area has occurred in two phases as follows:

Phase 1 from October 2004 to March 2005: Kulu Deposit

This initial exploration phase involved bulk pit sampling of the coarse grained tailings from the discharge point at 0 kilometre to the 7.5 kilometre mark. Samples were consigned to commercial laboratories in Zambia and South Africa. The fine grained tailings were not evaluated during the Phase 1 program as the majority of the fine tailings occurred between 7.5 – 14 kilometres downstream.

A contract survey team was provided by Gécamines, the Company's Joint Venture partner in the Mutoshi Mine. The lateral extent of the coarse tailings was surveyed. A hand operated auger was used to test the thickness of the tailings and were drilled to the base of the tailings on section lines ranging from 50 metres apart to 100 metres apart. Auger hole collars were accurately surveyed which allowed the volume of the tailings to be estimated. Seventy-six 50 kg samples were collected for specific gravity determination.

Phase 2 from April 2005 to November 2005: Kulu Deposit

Bulk pit samples were again collected from the coarse tailings in the top 0 kilometre to the 10 kilometre section of the river. Samples were analyzed at two commercial laboratories in Johannesburg, RSA. Pit samples were collected from the coarse tailings for the Mineral Resource estimation. Samples were also collected from the fine grained tailings on the river terraces.

The drilling of auger holes to the base of the tailings on 50 metre to 100 metre spaced section lines was continued to the 10 kilometre mark downstream. A total of 582 auger holes for a total of 1,193 metres have been drilled. The arithmetic average depth of hole is 2.05 metres. All auger hole collars were accurately surveyed by the Gécamines contract surveyors. In the lower section of the river between the 10 kilometre and 12.5 kilometre marks, the tailings were sampled by BQ Air-core ("AC") drilling. A total of 319 holes were drilled for a total of 2,415 metres. Average hole depth was 7.6 metres and the maximum depth drilled was 12.5 metres.

In the marginal, water-saturated areas underlain by a thin (+/- 3m) deposit of fine tailings, 106 hand-operated, motorised auger holes were drilled to basement. Samples from 40 of these holes were incorporated into the Mineral Resource database for the fine tailings. All drill-hole collars were accurately surveyed.

Drill evaluation of the tailings was only possible in the lower portions of the river between the 10 kilometre and 12.5 kilometre marks downstream where the surface of the tailings is firm enough to support the weight of a drill rig. An AC drill rig was used to drill 319 holes for a total of 2,415 metres of drilling.

Average hole depth was 7.6 metres and the maximum depth drilled was 12.5 metres. In the marginal, water-saturated, areas, underlain by a thin (+/- 3 metres) deposit of fine tailings, 106 auger holes were drilled with a man-portable, motorised auger, to basement. Samples from 40 of these holes were incorporated into the Mineral Resource database for the fine tailings. All drill-hole collars were accurately surveyed.

Phase 3 Drilling: Mutoshi Tenement Area

During 2008, an $11.5 million scope drilling program, comprising over 710 holes drilled to an average depth of 80 metres was completed. The scope drilling program concentrated on areas surrounding the abandoned Mutoshi Pit, including the Mutoshi North, West, and Cobalt prospects, together with the Manga, Kinanga, Mulusonoi and RAT Breche properties. The average grades of significant copper and cobalt intercepts reported to date include: 4.6% Cu over 28 metres, 4.4% Cu over 26 metres, 3.0% Cu over 58 metres, 1.1% Co over 16 metres and 0.6% Co over 32 metres. The results from this drilling, along with results from 194 drill holes from earlier Gécamines exploration programs have allowed for establishment of a 64,000 drill metre database containing over 33,000 assays. No drilling activity is planned for the Mutoshi tenement area in 2009.

Sampling

The unconsolidated and water-saturated nature of the tailings made it difficult to access many parts of the watercourse with machinery for sampling. Two principal methods of sampling were necessary; pit sampling and AC drill sampling.

Pit Sampling

Fifty kilogram bulk samples were collected from (1 metre x 1 metre) pits in the sector of the watercourse from the 0 – 10 kilometre marks. The pits were either dug by hand or by backhoe machine to the base of the tailings or to the level of the groundwater. Samples for assay were collected from vertical channels down the side of the pit walls if the pit walls were stable or by random grab sampling of the pit spoil dumps if the pit walls were unstable.

AC Drill Sampling

The lower reaches of the river from the 10 kilometre to 12.5 kilometre marks were drill sampled with a lightweight drill rig with reverse-circulation AC drilling equipment. Holes were drilled at regular spacings (where surface

conditions allowed access) and sampled in one metre intervals from surface to the base of the tailings. A total of 319 holes were drilled for a total of 2,415 metres. This equates to an average hole depth of 7.6 metres. Maximum hole depth was 12.5 metres. Samples were collected in one metre intervals through a rig mounted cyclone. Recovered sample weights averaged 2kg to 3kg per metre. A sample preparation site was established at the field camp under the supervision of the mine geologist. Drill samples were transferred from the rig to the sample preparation site on a daily basis and sent for analysis.

Analysis of Samples

In the Phase 1 evaluation program the principal laboratory used for analysis was AHK's laboratory in Kitwe, Zambia. ALS Chemex Laboratory in Johannesburg, RSA, was used for umpire check analyses. For the Phase 2 program ALS Chemex Laboratory in Johannesburg was chosen as the principal laboratory and SGS Laboratory in Johannesburg was used for umpire check analyses.

Security of Samples

Appropriate measures have been taken during the sampling programs to ensure the integrity of the samples. Samples for laboratory submission are placed into securely tied bags. Sample numbers are clearly written on the bags and also punched onto an aluminium tag which is then inserted into the bag. The bags are clearly addressed to the receiving laboratory. Regulations in the DRC require that officers from both the Department of Mines and the Government Security Authority must inspect consignments of mineral samples being transported within the country and being exported from the country. All sample consignments are duly inspected, inspection fees are paid, and the necessary documents for transport are obtained. Samples are then transported by road from Kolwezi to Lubumbashi by the Company. Road transport schedules are monitored and details of sample consignment arrivals in Lubumbashi are immediately reported back to Kolwezi management. There have been no security problems. Samples arriving in Lubumbashi are off-loaded at Anvil's regional exploration office under supervision of senior exploration staff. Following further inspection by government officers in Lubumbashi and receipt of export permits, samples are then air freighted to the receiving laboratories in Johannesburg, RSA. Customs Clearing Agents are contracted to arrange the dispatch of sample consignments from Lubumbashi and the delivery of the samples to laboratories in Johannesburg. Shipments of the samples are monitored by the Company's personnel. The receiving laboratory is notified by email of the sample dispatch details including the number of shipment bags, the total number of samples, freight details and estimated date of delivery. It is standard laboratory practice to notify clients by email of the receipt of sample consignments and of any anomalies between the consignment received and the original emailed information on the consignment. All sample consignments from the Mutoshi mine arrive at the receiving laboratories in their original condition.

Mineral Resource Estimate

The total Indicated Mineral Resource (coarse and fine tailings) as at December, 2008 amounts to 6.6 million tonnes at 1.3% Cu for 87,500 tonnes of contained copper metal. The Mutoshi Mineral Resource estimate is shown in Table 8.

Table 8. December 2008 Mineral Resource Estimate: Mutoshi (Kulu deposit)

Resource Category	Tonnes (K Tonnes)	Total Copper Grade (%)	Copper Metal (Tonnes)
Indicated (coarse tailings)	1,500	2.30	34,571
Indicated Stockpile (coarse tailings)	111	3.70	4,000
Concentrate Stockpile	7	20.3	1
Total Indicated (coarse tailings, fine tailings and concentrate stockpile)	**1,618**	**1.32**	**38,572**
Inferred (coarse tailings)	500	3.55	17,747

(1) The Mineral Resource estimates are based on geologically controlled interpretations of copper mineralised zones, defined by mapping and intersections from drill holes. Cu grades have been interpolated, using ordinary kriging with appropriate parameters into a 3D cell model, constrained by wire frames of the interpretation. Resource tonnages and grades are reported using a 0.5% Cu cut-off, and represent the remaining estimated resources as at December 2008.
(2) The Mineral Resources at Mutoshi are reported in accordance with National Instrument 43-101.

Copper Production

Mining operations at Mutoshi commenced on September 22, 2005 and the HMS plant was commissioned on November 25, 2005. Production reached design capacity of 50 tonnes per hour for production of 4,500 – 5,000 tonnes of concentrate per month in May 2006 following the installation of the scrubber and larger screen.

The HMS plant at Mutoshi is the refurbished plant used for the initial development of the Dikulushi Mine in 2002. It was transferred to Mutoshi when Dikulushi moved to a ball mill and flotation processing operation. Use of this surplus plant significantly reduced the capital cost for the HMS mine at Mutoshi and enabled the Company to build the first stage of the Mutoshi mine entirely out of cash flow from the Dikulushi Mine.

In 2007 an unseasonally heavy rainy season and continued artisanal mining activity in the lower areas of the river resulted in the removal of some of the high-grade portion of the coarse-grained tailings, leaving a lower-grade material, which had correspondingly lower metallurgical recoveries, for feed through the HMS plant. Despite enhancements to the mining methodology and an upgrade to the plant difficulties with operational efficiency and copper recovery continued to be experienced during 2008.

Copper production statistics for 2007 and 2008 is shown in Table 9 below.

Table 9. Annual Production 2007-2008: Mutoshi

		2008	2007
Ore mined	tonnes	428,361	491,239
Ore processed	tonnes	462,495	340,628
Feed grade	% Cu	3.9	5.2
Contained copper	tonnes	17,867	17,650
Copper recovery	%	41.7	57.0
Copper produced in concentrate	tonnes	7,448	10,066

Mining and Processing Operations

The mining of the coarse rejects/tailings of the Kulu deposit is a relatively simple operation with no waste stripping and no requirement for drill and blast activities. River gravel containing copper in the form of malachite is selectively mined and trucked to the plant. At the plant the gravel is washed, crushed and screened. The heavier malachite-rich fragments are separated from the barren rock using flotation in a slurry of ferrosilicon.

Further Information

For further information regarding the Mutoshi mine, reference can be made to the Technical Report for the Mutoshi Mine dated December 19, 2005, which is available on SEDAR at www.sedar.com.

DIVIDEND POLICY

Neither the Company nor Anvil Mining NL has paid any dividends since inception. The declaration of dividends on the Common Shares of the Company is within the discretion of the Company's board of directors and will depend upon their assessment of, among other factors, earnings, capital requirements and the operating and financial condition of the Company.

DESCRIPTION OF SHARE CAPITAL

The Company is authorised to issue an unlimited number of Common Shares and an unlimited number of Preferred Shares. As at the date of this Annual Information Form there were 71,244,578 Common Shares issued and outstanding in the capital of the Company.

Common Shares

The holders of the Common Shares are entitled:

- to vote at any meetings of shareholders, except meetings at which only holders of shares of a specified class or series of shares are entitled to vote;
- subject to the rights, privileges, restrictions and conditions attaching to shares of any other class or series of shares of the Company, to receive any dividend declared by the Company on the Common Shares; and
- subject to the rights, privileges, restrictions and conditions attaching to shares of any other class or series of shares of the Company, to receive the remaining property of the Company on the dissolution of the Company.

The Company has reserved Common Shares for issuance pursuant to the exercise of stock options in connection with the Company's stock option plan and Common Shares pursuant to other convertible securities.

Preferred Shares

The Articles of Incorporation of the Company provide that the board of directors may issue Preferred Shares from time to time, in one or more series and the board of directors may, before the issue of shares of any particular series, fix the number of shares in that series and determine the designation of, and the rights, privileges, restrictions and conditions attaching to, the shares of that series. However, if at the time the directors make such determination in respect of a particular series of Preferred Shares, as the Company is listed on the Australian Securities Exchange ("ASX"), if the listing rules of the ASX then in force so require, the rights, privileges, restrictions and conditions attached to that series must contain certain rights which are required by the ASX. These rights include the following:

- the rights, privileges, restrictions and conditions attached to that series shall entitle each holder of a Preferred Share of that series to a right to vote in each of the following circumstance and in no others: (i) during a period in which a dividend (or part of a dividend) payable in respect of such series of Preferred Shares is in arrears; (ii) in respect of a reduction of the stated capital of the Company pursuant to Section 40 of the *Business Corporations Act* (Northwest Territories); (iii) in respect of any agreement by the Company to purchase any of its shares if such agreement shall be put before the Company's shareholders for their approval; and (iv) in respect of any matter that is to be approved by the shareholders of the Company during the course of the voluntary liquidation or the dissolution of the Company;
- each holder of a Preferred Share of that series must be entitled to receive a dividend at a commercial rate, as determined by the directors in their sole discretion, in preference to any dividend declared on the Common Shares;
- each holder of a Preferred Share of that series must be entitled to a return of the stated capital of such share in preference to any payment or other distribution of property to be made to the holders of the Common Shares in connection with the voluntary liquidation or dissolution of the Company;

- each holder of a Preferred Share must be entitled to receive copies of all notices, reports and audited financial statements of the Company that it sends to the holders of its Common Shares; and
- each holder of a Preferred Share must be entitled to attend each shareholders' meeting of the Company.

No Preferred Shares are outstanding and the Company currently has no plans to issue Preferred Shares.

CHESS and CHESS Depositary Interests ("CDI's") in Australia

With respect to the listing on the ASX, the Company participates in the CHESS system as contemplated below.

CHESS

Transfers of CHESS securities are performed electronically and share certificates are generally not required. CHESS cannot be used directly for the transfer of securities of companies that are not incorporated in Australia (such as the Company) where the laws of the company's place of incorporation do not recognise CHESS.

To enable companies such as the Company to have their securities cleared and settled electronically in CHESS, depositary instruments called CDIs have been introduced. CDIs are units of beneficial ownership in securities, the legal title to which is held by CHESS Depositary Nominees Pty Ltd, a wholly-owned subsidiary of the ASX. CHESS Depositary Nominees Pty Ltd is registered as the legal owner of Common Shares of the Company on the Australian share register, holding on behalf of, and for the benefit of, each CDI holder. Holders of Common Shares are able to convert such shares into CDIs. To enable the Company's shareholders to participate in CHESS, the Common Shares trade on the ASX in the form of CDIs. Each Common Share is represented by one CDI.

The information as to Common Shares beneficially owned, not being within the knowledge of the Company, its directors or officers, has been furnished by the respective shareholders or has been extracted from the register of shareholders.

MARKET FOR SECURITIES

Trading Price and Volume

Set forth below in Table 10 and Table 11 are the volume, high, low and close prices of (i) the Common Shares of the Company on the Toronto Stock Exchange ("TSX"); and (ii) the CDIs of the Company on the ASX, on a monthly basis during 2008:

Table 10. High, low, close volume for 2008: Common Shares on the TSX (C$)

Period	High	Low	Close	Volume
January	15.92	10.25	13.69	8,626,489
February	14.25	12.00	13.48	10,504,626
March	13.53	11.35	12.35	3,574,042
April	14.15	12.20	13.32	3,384,065
May	14.70	9.87	10.40	6,972,316
June	11.05	9.18	9.60	8,371,250
July	11.19	8.07	9.11	10,708,226
August	9.20	6.66	7.25	8,087,065
September	6.85	3.88	4.54	6,527,242
October	4.85	1.57	1.73	7,743,860
November	1.99	0.45	1.17	20,514,779
December	1.25	0.68	1.08	7,098,967

Table 11. High, low, close volume for 2008 (A$): CDIs [(1)]

Period	High	Low	Close	Volume
January	17.75	12.75	14.20	127,199
February	15.55	13.65	14.30	135,289
March	14.35	12.68	13.90	55,181
April	14.75	13.05	13.10	85,420
May	15.05	10.70	10.70	179,110
June	11.30	9.56	9.70	79,144
July	11.94	8.45	9.25	116,484
August	9.45	7.60	7.70	25,233
September	8.08	6.40	6.35	44,790
October	6.35	3.03	3.03	337,155
November	3.03	0.52	0.95	896,538
December	1.60	0.95	1.00	168,554

(1) As the Company participates in the CHESS system in Australia, the Common Shares are traded on the ASX in the form of CDIs. Pursuant to a consolidation of the Company's CDIs that was completed on February 7, 2007, each Common Share is now represented by one CDI. On the TSX, each Common Share is traded individually. As CDIs are traded in Australian dollars, there is an exchange rate effect on the trading prices in Canada as compared to Australia.

Prior Sales

The Company completed a brokered private placement in 2004 of 5,240,000 Special Warrants at a price of C$5.25 each for gross proceeds of C$27,510,000. Each Special Warrant entitled the holder to receive one Common Share and one-half of one Share Purchase Warrant. Each full Share Purchase Warrant issued on exercise of the Special Warrants is convertible to one Common Share upon the payment of the exercise price of C$6.25. During 2005, 3,240,000 Common Shares were issued upon exercise of the Share Purchase Warrants. A further 165,119 Common Shares were issued as part consideration in respect of two separate acquisitions of interests in mine properties in the DRC and Vietnam and stock option holders exercised their options over 57,499 Common Shares. During 2006, the Company completed a bought deal issuing 23,000,000 Common Shares, and a further 602,410 Common Shares were issued as part consideration in respect of the acquisition of an additional 10% interest in the Kinsevere mine. The Company issued a further 872,093 Common Shares in 2007, as part consideration for the acquisition of an additional 15% interest in the Kinsevere mine. During 2007, the Company completed a bought deal issuing 12,384,615 Common Shares. In December 2007, 600,000 Common Shares were issued upon exercise of Share Purchase Warrants. During 2008, the Company issued 102,668 Common Shares pursuant to the exercise of stock options.

DIRECTORS AND OFFICERS

Name, Municipality and Country of Residence, Occupation and Security Holdings

The board of directors is responsible for the stewardship of the Company's business and affairs. Each of the Company's directors hold office until the Company's next annual meeting of shareholders, or until a successor is appointed.

Table 12 and the notes thereto, set out the name, municipality and country of residence of each director and executive officer of the Company, their current position and office with the Company, their respective principal occupation during the five preceding years, the date on which they were first elected or appointed as a director or officer of the Company, the approximate number of Common Shares of the Company beneficially owned, directly or indirectly, or over which they exercise control or direction as at the date of this Annual Information Form, and the percentage of the total issued and outstanding Common Shares of the Company represented by such shares:

Table 12. Director and Executive Officer information

Name and Residence	Director Since	Principal Occupation	Common Shares beneficially owned directly or indirectly
William S. Turner, Perth, Western Australia, Australia	January 8, 2004 (Director of Anvil Mining NL since September 23, 1996)	President and CEO of the Company (January 8, 2004 – present); Managing Director, Anvil Mining NL (July 2003 – January 8, 2004); General Manager, Anvil Mining NL (July 1995 – July 2003). Member of the Corporate Responsibility and Sustainability Committee.	982,171 (1.38% of issued and outstanding shares)
Peter J.L. Bradford, [1,2,3] New South Wales, Australia	January 8, 2004 (Director of Anvil Mining NL since September 11, 1998)	Corporate Director (February 2008 – Present) CEO and Director, Golden Star Resources Ltd, a mid-tier gold mining company whose principal operating properties are located in Ghana (October 1999 – February 2008). Chairman of Nomination, Compensation and Corporate Governance Committee, Member of the Audit Committee and Member of the Corporate Responsibility and Sustainability Committee.	208,348 (0.29% of issued and outstanding shares)
John W. Sabine, [1,2,3] Oakville, Ontario, Canada	February 29, 2004	Partner, Fraser Milner Casgrain LLP (November 2001 – Present). Chairman of the board of directors and Member of the Nomination, Compensation and Corporate Governance Committee.	20,000 (0.03% of issued and outstanding shares)
Thomas C. Dawson[1,2,3] Toronto, Ontario, Canada	May 27, 2005	Corporate Director (2000 – Present). Chairman of the Audit Committee and Member of the Nomination, Compensation and Corporate Governance Committee.	23,000 (0.03% of issued and outstanding shares)
Ambassador (ret.) Kenneth L. Brown Washington, United States of America	November 9, 2006	Non-profit administrator, (2001-present); College administrator and professor, (1995-2001); U.S. Foreign Service Officer, United States government (1961-1995). Member of the Audit Committee and Chairman of the Corporate Responsibility and Sustainability Committee.	6,200 (0.009% of issued and outstanding shares)

Name and Residence	Director Since	Principal Occupation	Common Shares beneficially owned directly or indirectly
Craig R. Munro Perth, Western Australia, Australia	Executive Officer Only	Senior Vice President Corporate and Chief Financial Officer, Anvil Mining Limited (October 2007 – present); Vice President Corporate and Chief Financial Officer, Anvil Mining Limited (January 2005 – October 2007); Chief Financial Officer, Anvil Mining Limited (April 2004 – December 2004); Director and Consultant, Mundi Investments Pty Ltd (February 2002 – March 2004); Executive Director, Aquarius Platinum Ltd, a platinum group metals producer in southern Africa (December 1997 – February 2002).	167,926 (0.24% of issued and outstanding shares)
Robert La Vallière St-Bruno, Québec, Canada	Executive Officer Only	Vice President Corporate Affairs (September 2008 – present), Anvil Mining Limited; Vice President Corporate Affairs, Anvil Mining Limited (June 2005 – September 2008); Manager Investor Relations and Communications, Cambior Inc., a Canadian based international gold producer with operations, development projects and exploration activities in the Americas (March 1988 – June 2005).	6,831 (0.01% of issued and outstanding shares)
Paul Chare	Executive Officer Only	Project Director, Kinsevere, Anvil Mining Limited (February 2008 – present); General Manager Myanmar Ivanhoe Copper Co. Ltd, an international mining company with operations focused in the Asia Pacific region (2006 – October 2007); Executive Vice President Operations, Ivanhoe Mines (2002 – 2005); Managing Director, Gold Mines of Sardinia, a company whose principal activity was the exploration of gold in Sardinia (2001 – 2002.	10,174 (0.014% of issued and outstanding shares)
Jeff Knuckey Perth, Western Australia, Australia	Executive Officer Only	Vice President, Human Resources, Anvil Mining Limited (May 2007 – present); Senior HR Consultant, Advance People Solutions, an international consultancy specialising in human resources and organisational development (May 2006 – April 2007); Group Manager, Human Resources, ERG Ltd, a company specialising in automated fare collection systems for the transit industry (June 2003 – October 2005)	6,428 (0.009% of issued and outstanding shares)
Toby Bradbury Lubumbashi, Democratic Republic of Congo	Executive Officer Only	Vice President Operations DRC (July 2008 – present), Consultant (September 2002 – June 2008); General Manager Mining, Henry Walker Eltin Contracting (December 2000 – September 2002).	10,816 (0.015% of issued and outstanding shares)

Name and Residence	Director Since	Principal Occupation	Common Shares beneficially owned directly or indirectly
Luigi Evangelista Perth, Western Australia, Australia	Executive Officer Only	Financial Controller, Anvil Mining Limited (July 2006 – present); Corporate Secretary and Deputy Financial Controller, Anvil Mining Limited (July 2005 – July 2006); Deputy Financial Controller, Anvil Mining Limited (February 2005 – July 2005); Management Accountant, Management Search Australia, a specialised recruitment consultancy (September 2004 – January 2005); Business Analyst, Hays Personnel, a specialised recruitment consultancy (July 2004 – August 2004). Contract Accountant, Kelby Ltd (August 2003 – May 2004)	5,049 (0.007% of issued and outstanding shares)
Stuart McKenzie Perth, Western Australia, Australia	Executive Officer Only	Corporate Secretary, Anvil Mining Limited (October 2006 – Present); Treasurer & Company Secretary, Ok Tedi Mining Limited, a large scale copper and gold producer based in Papua New Guinea (February 2003 – October 2006); Senior Manager, Business Risk Services, Ernst & Young Australia (December 2000 – January 2003).	5,636 (0.008% of issued and outstanding shares)

Notes:

(1) The Company is required to have an Audit Committee. The members of this committee are Messrs. Dawson, Bradford and Brown.

(2) The directors have established a Nomination, Compensation and Corporate Governance Committee. The members of this committee are Messrs. Bradford, Dawson, and Sabine.

(3) In February 2008, the directors established a Corporate Responsibility and Sustainability Committee. The members of this committee are Messrs. Brown, Turner and Bradford.

(4) The term of office of each director of the Company expires at each annual meeting of the Shareholders of the Company. Officers of the Company are appointed by the board of directors.

As of the date of this AIF, approximately 1,431,589 Common Shares of the Company were beneficially owned, directly or indirectly, by the directors and officers of the Company as a group, representing approximately 2.1% of the issued and outstanding Common Shares of the Company on a non-diluted basis.

Corporate Cease Trade Orders or Bankruptcies

No director or executive officer of the Company is, as at the date hereof or has been within the ten years prior to the date hereof, a director, chief executive officer or chief financial officer of any company that was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days issued: (1) while that person was acting as director, chief executive officer or chief financial officer (2) after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in that capacity.

No director or executive officer of the Company or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company is, as at the date hereof or has been within the ten years

prior to the date hereof, a director or executive officer of any company that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee to hold its assets.

No director or executive officer of the Company or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or has had any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Personal Bankruptcies

No director or executive officer of the Company or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has during the ten years prior to the date hereof become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

Conflicts of Interest

The directors and officers of the Company are, or may become, directors or officers of other companies with businesses which may conflict with the business of the Company. Directors are required to act honestly and in good faith with a view to the best interests of the Company. In addition, directors in a conflict of interest position are required to disclose certain conflicts to the Company and to abstain from voting in connection with the matter. To the best of the Company's knowledge, there are no known existing or potential conflicts of interest between the Company or a subsidiary of the Company and a director or officer of the Company or a subsidiary of the Company as a result of their outside business interests at the date hereof. However, certain of the directors and officers serve as directors and/or officers of other companies. Accordingly, conflicts of interest may arise which could influence these persons in evaluating possible acquisitions or in generally acting on behalf of the Company.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL CONTRACTS

There is no material interest, direct or indirect, of any (a) director or executive officer of the Company; (b) person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the issued and outstanding Common Shares of the Company; or (c) associate or affiliate of any of the persons or companies listed in (a) or (b), in any transaction within the three most recently completed financial years of the Company or during the current financial year of the Company that has materially affected or is reasonably expected to materially affect the Company.

LEGAL PROCEEDINGS

There are no material legal proceedings involving the Company or a subsidiary of the Company or of which their respective properties are the subject matter of as at the date of this annual information form and the Company knows of no such proceedings currently contemplated.

There have been no penalties or sanctions imposed against the Company by a court relating to securities legislation or by a securities regulatory authority, or imposed by a court or regulatory body against the Company that would likely be considered important to a reasonable investor in making an investment decision, and the Company has not entered into any settlement agreements with a court relating to securities legislation or with a securities regulatory authority.

TRANSFER AGENT AND REGISTRARS

The transfer agent and registrar for the Company's Common Shares is Computershare Investor Services Inc., at its principal office in Toronto. The transfer agent for the CDIs issued in respect of the Company's Common Shares is Computershare Investor Services Pty Ltd, at its principal office in Perth, Western Australia.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business, the only contracts which the Company or its respective subsidiaries have entered into within the most recently completed financial year or before the most recently completed financial year and are still in effect, and which may reasonably be regarded as material, are the following:

1. *Contrat d'Amodiation* between Gécamines and MCK and amendments thereto dated December 20, 2006 in connection with the Kinsevere Lease Agreement.

2. *Contrat de Création* between Gécamines and EMIKO and amendments thereto dated November 1, 2001 and July 15, 2004 in relation to the formation of SMK.

3. Shareholder and Acquisition Agreement between the Company, EMIKO and Mr. Muchado Moura Jose Augusto and subsequent Share Sale Agreement dated November 2, 2006 between Mr. Muchado Moura Jose Augusto and Anvil Mining Investments Limited, with respect to the acquisition of an 80% interest in the Mutoshi mine.

4. Shareholder and Acquisition Agreement between the Company and MCK and subsequent Share Purchase Agreement dated July 29, 2006 between MCK and Anvil Mining Investments Limited and Sale and Purchase and Assignment Agreement dated December 21, 2006 between MCK, AMCK and Anvil Mining Limited with respect to the acquisition of a 95% interest in the Kinsevere mine.

EXPERTS

The Company's auditors are PricewaterhouseCoopers LLP, Chartered Accountants, who have prepared an independent auditors' report dated February 26, 2008 in respect of the Company's consolidated financial statements with accompanying notes as at December 31, 2007 for the twelve months ended December 31, 2007 PricewaterhouseCoopers LLP has advised that they are independent with respect to the Company within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

The following persons have been named as having either prepared or certified a report, valuation, statement or opinion, in relation to the Company's Mineral Reserves in this AIF, and it can be construed that their profession or business gives authority to the report, valuation or statement and as such they may be regarded as experts:

Gerry Fahey of CSA (previously FinOre Pty Ltd);

Chris Allen of CSA (previously FinOre Pty Ltd);

Dave Gray (Group Resource Geologist) of Anvil;

Mike Lawlor (Manager Group Technical Services) of Anvil;

Geoff Booth (Manager Feasibility Studies) of Anvil; and

Tony Cameron of A & J Cameron and Associates Pty Ltd.

None of the experts listed above has a beneficial interest, direct or indirect in any securities or property of the Company or affiliates that exceeds one percent of outstanding securities.

AUDIT COMMITTEE

The purpose of the Audit Committee of the Company is to provide assistance to the board of directors of the Company in fulfilling its legal and fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting, internal control and legal compliance functions of the Company and its subsidiaries. It is the objective of the audit committee to maintain a free and open means of communications among the board of directors of the Company, the independent auditors and the financial and senior management of the Company.

The full text of the Charter of the Audit Committee is included as Schedule A to this Annual Information Form.

Composition of the Audit Committee

The Audit Committee is comprised of Messrs. Thomas Dawson, Peter J.L. Bradford and Kenneth L. Brown. Thomas Dawson is the chairman of the Audit Committee. Each of the members is financially literate under Section 1.6 of MI 52-110. Each of the members is independent under Section 1.4 of MI 52-110.

The Audit Committee met six times in 2008.

Relevant Education and Experience

Thomas Dawson B.Comm., C.A.

Mr. Dawson has been a director of Anvil Mining Limited since May 27, 2005 and serves as the Company's Chairman of the Audit Committee. He received his B.Comm. from Concordia University, Canada, in 1959. He has been a Chartered Accountant since 1961 and is a retired senior audit and accounting partner, with 40 years of experience, at Deloitte & Touche LLP, Chartered Accountants. He currently serves as a director of several other companies, including WFI Industries Ltd., Energy Split Corp., R Split II Corp and Seabridge Gold Inc. Mr. Dawson is also a member of the Nomination, Compensation and Corporate Governance Committee.

Peter J. Bradford, B.Sc., F. Aus.I.M.M. - Director

Mr. Bradford has been a director of Anvil Mining Limited since September 1998. He was Managing Director of Anvil Mining Limited from September 1998 to October 1999 and then President and Chief Executive Officer of Golden Star Resources Ltd from 1999 to 2007. Mr. Bradford is also a director of Copperbelt Resources plc. He is a qualified metallurgist with over 30 years experience in the mining industry and is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr. Bradford is Chairman of the Nomination, Compensation and Corporate Governance Committee and a member of the Audit Committee, and the Corporate Responsibility and Sustainability Committee.

Ambassador (ret.) Kenneth L. Brown, B.A., M.A., Ph.D

Mr. Brown has been a board member since November 2006. He has a B.A. and M.A. in International Relations from Pomona College and Yale University, an M.A. in Political Science from NYU and a Ph.D. in Political Sociology from the University of Cape Coast in Ghana. Mr. Brown is President of the Association for Diplomatic Studies and Training in Washington, DC. In the U.S. Foreign Service, his positions included: Ambassador to the Republic of Congo, Côte d'Ivoire and Ghana, Consul General in Johannesburg, Political Officer in Kinshasa, Deputy Assistant Secretary of State for Africa, Associate Spokesman, Director of Central African Affairs and Deputy Director of UN Political Affairs. He is also a trustee of the Ghana Heritage Conservation Trust, Treasurer of the Global Alliance for Women's Health and former director of the Dean Rusk Program in International Studies at Davidson College. Previously he served as a director of Pioneer Goldfields, Ltd. and as a member of the Senior Advisory Group of the U.S. European Command. Mr. Brown is a member of the Audit Committee and Chairman of the Corporate Responsibility and Sustainability Committee.

Pre-Approval Policies and Procedures

The Audit Committee pre-approves engagements for audit and non-audit services provided by the external auditors or their affiliates, together with estimated fees and potential issues of independence. See "External Audit" (Item 8) of the Audit Committee Charter, attached as Schedule A to this Annual Information Form.

Audit Fees

The aggregate fees billed by the Company's external auditor for audit services for the fiscal year ended December 31, 2008 were $231,700 ($160,000 for twelve months ended December 31, 2007).

Audit-Related Fees

The aggregate fees billed by the Company's external auditor for assurance and related services that are reasonably related to the performance of the auditor's review of the issuer's financial statements and are not reported as "Audit Fees" above in the fiscal year ended December 31, 2008 were $226,456 ($218,000 for the twelve months ended December 31, 2007). These Audit-Related Fees were for the quarterly reviews of the Company's financial statements.

Tax Fees

No fees were billed by the Company's external auditor for professional services rendered for tax compliance, tax advice and tax planning for the fiscal year ended December 31, 2008 ($72,000 for the twelve months ended December 31, 2007).

All Other Fees

The aggregate fees billed by the Company's external auditor for non-audit professional services for the fiscal year ended December 31, 2008 were $6,569 ($169,000 for the twelve months ended December 31, 2007).

ADDITIONAL INFORMATION

Additional information regarding the Company may be obtained on the System for Electronic Document Analysis and Retrieval (SEDAR), under the Company's name, at www.sedar.com.

Additional information, including directors' and officers' remuneration and indebtedness, the principal holders of the Company's securities and securities authorised for issuance under equity compensation plans, if applicable, is contained in the Company's information circular for its most recent annual meeting of holders of Common Shares.

Additional financial information is provided in the Company's financial statements and management's discussion and analysis of financial results for the year ended December 31, 2008.

GLOSSARY OF MINING TERMS

The following is a glossary of mining terms that are used in this Annual Information Form.

Ag	The chemical symbol for the metallic element silver.
Argillite	A description of a rock that is made up mainly of silt to fine sand size particles that has been moderately altered by metamorphism.
Azurite	A deep blue mineral that is made up of copper with carbonate and water and found mainly in the weathered parts of copper orebodies. Can contain up to 55% Cu.

Bornite	A reddish brown to iridescent purple mineral made up of copper (up to 63%) iron and sulphur.
Carbonates	A rock made up mainly of calcium (rarely magnesium) and carbon dioxide.
Cell	A term applied to the three dimensional volume used in the mathematical modeling of orebodies by computer techniques.
Chalcocite	A mineral that is made up of copper (up to 80%), and Sulphur.
Clastic	A rock made up of other rock fragments from distance locations.
CMN	Calcaire a Minerais Noirs (limestone and dolomite with black oxides)
Co	The chemical symbol for the metallic element cobalt.
Conglomerate	A rock made up of various size particles from small pebbles to large boulders and other rock fragments, cemented together.
CPT	Under Incoterms, stands for Carried Paid To and means that the seller pays the freight for the carriage of the goods to the named destination. The risk of loss of or damage to the goods, as well as any additional costs due to events occurring after the time the goods have been delivered to the carrier is transferred from the seller to the buyer when the goods have been delivered into the custody of the carrier.
Cu	The chemical symbol for the metallic element copper.
Cut-off	The minimum concentration (grade) of the valuable component in a mass of rock that will produce sufficient revenue to pay for the cost of mining, processing and marketing.
Dilution	A term used to describe the waste or non-economic materials included when mining ore.
Dip	The angle that a structural surface makes with the horizontal.
Disseminated	Ore carrying fine particles, usually sulphides scattered throughout the rock.
Dol-arenites	Dolomite rock consisting of sand size grains.
Dolomite	A mineral containing calcium, magnesium and carbonate.
Domain	A term used mainly in ore resource estimation or geotechnical calculations to describe regions of a geological model with similar physical or chemical characteristics.
Excavator	A large machine used in the digging and loading of rock into trucks in an open pit mine.
Footwall	A generic term used to describe the rock mass below a dipping orebody.
Flotation	A widely used industrial process used to concentrate valuable minerals after mining that treats finely ground rock in a water based pulp with chemicals that allow them to float to the surface where they are recovered in preference to waste or gangue minerals which sink.
FOB	Under the Incoterm standard FOB stands for "Free On Board", and is always used in conjunction with a port of loading. It typically means that the seller pays for transportation of the goods to the port of shipment, plus loading costs. The buyer pays the cost of marine freight transport, insurance, unloading, and transportation from the arrival port to the final destination. The passing of risks occurs when the goods pass the ship's rail at the port of shipment.

Gangue	The valueless rock or mineral aggregates in an ore.
g/t	An abbreviation for grams per tonne.
Hanging-wall	A generic term used to describe the rock mass above a dipping orebody.
HMS	Abbreviation for Heavy Media Separation, a mineral processing method that uses high density fluids or suspensions to separate valuable minerals from waste or gangue by exploiting differences in the specific gravity of minerals.
Hydrothermal	A geological process that occurs as a result of high temperature water from mainly volcanic activity that alters the minerals in rocks and can lead to concentrations of valuable minerals.
Hypogene	A geological process that occurs well below the surface that can result in increased concentrations of valuable minerals.
JORC	An acronym for Joint Ore Reserve Committee, the Australian committee formed by the Australian Stock Exchange and Australasian Institute of Mining and Metallurgy responsible for the regulatory enforceable standards for the Code of Practice for the reporting of mineral resources and reserves.
Kriging	A term applied to the process of estimating grades in a systematic way within a geometric model of a mineralised zone, by a means of interpolation that minimises the estimation error.
LOB	Lower Orebody
Malachite	A mineral containing copper (up to 57%) carbonate and water found mainly in the weathered zone of a copper orebody.
Massive	A term used to describe a large occurrence of a pure mineral species, often with no structure.
Metamorphism	The geological process of altering the physical and chemical properties of rock mineral by the combined effects of head and pressure.
Mineral Reserve	The term for the economic quantities and grade of valuable materials as strictly applied in compliance with the definition in the National Instrument 43-101.
Mineral Resource	The term for the estimate of the quantities and grade of valuable materials but with no economic considerations as strictly applied in compliance with the definition in the National Instrument 43-101.
Oolitic	A geological term describing a rock generally made up by carbonate minerals in the form of sand to small pebble size spheres.
Ordinary kriging	The kriging process applied without the application of addition mathematical process that applies conditions or simulations.
Pre	A natural aggregate of one or more minerals which, at a particular time and place, may be mined and sold at a profit or from which some part may be profitably separated.
Raffinate	In solvent extraction, a raffinate is a liquid stream that remains after the extraction with the immisciable liquid to remove solutes from the original liquour.
RAT	Roches Argilo-Talcqueuse (a dolomitic/talcose argillaceous rock)
Recovery	A measure in percentage terms of the efficiency of a process, usually metallurgical, in gathering the valuable minerals from an ore. The measure is made against the total amount of valuable mineral present in the ore.
RC	Reverse Circulation, a drilling method whereby drilling fluid or air is pumped into the space between a dual drill tube and returned through the inner tube, bringing cuttings from the drill bit to the surface.

ROM	Run of Mine, a description applied to the physical characteristics of ore (including dilution) as presented to the processing plant.
RSF	Roches Siliceuses Feuilletees (foliated and silicified dolomitic shales)
Sandstone	A rock consisting of sand size grains, generally of the mineral quartz.
Silicification	The process of pervasively altering a rock by the introduction of silica mainly during hydrothermal processes.
Stockpile	A mound or pile of material.
SX-EW	Solvent Extraction and Electrowinning, processing method utilising synthetic organic liquids that are able to extract copper from ore enabling the copper to be deposited by electrolysis. This processing method enables the bypassing of the smelting and refining stages in ore processing.
Vein	A single continuous planar occurrence of a suite of minerals, generally valuable, introduced into pre-existing rock mass.

SCHEDULE A

AUDIT COMMITTEE CHARTER

I. OBJECTIVE OF CHARTER

1. There shall be a Committee of the board of directors (the "Board") of Anvil Mining Limited ("Anvil" or the "Company"), to be known as the Audit Committee (the "Committee") whose membership, authority and responsibilities shall be as set out in this audit committee charter.

2. The primary function of the Committee is to assist the Board in fulfilling its oversight responsibilities, primarily through overseeing management's conduct of the Company's accounting and financial reporting process and systems of internal accounting and financial controls; selecting, retaining and monitoring the independence and performance of the Company's external auditors, including overseeing the audits of the Company's financial statements, and approving any non-audit services; and providing an avenue of communication among the external auditors, management and the Board.

II. MEMBERSHIP

1. The Committee will be comprised of three (3) members, each of whom will be non-executive, independent[1] directors (subject to the exclusions permitted by Multilateral Instrument 52-110).

2. All members will be financially literate[2].

3. At least one member should have financial expertise[3].

4. Members will be appointed by the Board and shall serve until the earlier to occur of the date on which he or she shall be replaced by the Board, resigns from the Committee, or ceases to be a director.

5. The Board shall appoint one of the directors elected to the Committee as the Chairperson of the Committee. In the absence of the appointed Chairperson of the Committee at any meeting, the members shall elect a Chair from those in attendance to act as Chairperson of the meeting.

6. The secretary of the Committee will be the Corporate Secretary, or such other person as nominated by the Board.

III. MEETINGS

1. The Committee shall meet as frequently as required, but no fewer than four times annually and at least quarterly. The Chairperson shall prepare an agenda in advance of each meeting. A majority of the members of the Committee shall constitute a quorum and the act of a majority of the members present at a meeting where a quorum is present shall be the act of the Committee. The Committee may also act by unanimous written consent of its members. The Committee shall maintain minutes or other records of meetings and activities of the Committee.

2. The Committee shall, through its Chairperson, report regularly to the Board following the meetings of the Committee, addressing such matters as the quality of the Company's financial statements, the Company's compliance with legal or regulatory requirements in relation to those matters within the Committee's purview, the performance and independence of the external auditors, the performance of any internal audit function and other matters related to the Committee's functions and responsibilities.

3. Notice of a meeting of the Committee may be given orally or by letter, electronic mail, facsimile transmission or telephone not less than 24 hours before the time fixed for the meeting, unless such notice is otherwise waived in writing by all of the members of the Committee.

4. The Committee may invite such other persons (e.g. the CEO, CFO) to its meetings, as it deems necessary.

5. The external auditors should be invited to make presentations to the Audit Committee as appropriate.

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[1] Independence as defined by Multilateral Instrument 52-110 means having no direct or indirect material relationship with the issuer. This is not as strict a definition as that outlined by the ASX Corporate Council, which excludes associates of substantial shareholders from those parties that are independent. Multilateral Instrument 52-110 focuses on whether or not a substantial shareholder has an ability to control the company.

[2] Defined by Multilateral Instrument 52-110.

[3] This is not required by Multilateral Instrument 52-110 but is required for the ASX Standards.

6. The Committee shall, at least annually, meet separately with each of the Company's senior management, the Company's chief financial officer and the Company's external auditors to discuss any matters that the Committee or each of these groups believes should be discussed privately.

IV. GENERAL RESPONSIBILITIES

1. The Committee's principal responsibility is one of oversight. The Company's management is responsible for preparing the Company's financial statements, and the Company's external auditors are responsible for auditing and/or reviewing those financial statements. In carrying out these oversight responsibilities, the Committee is not required to provide any expert or special assurance as to the Company's financial statements or any professional certification as to the external auditors' work.

2. The designation or identification of a member of the Committee as an "audit committee financial expert" does not impose on such person any duties, obligations, or liabilities that are greater than the duties, obligations, and liabilities imposed on such person as a member of the Committee and the Board in the absence of such designation or identification.

3. The designation or identification of a member of the Committee as an "audit committee financial expert" does not affect the duties, obligations, or liabilities of any other member of the Committee or of the Board.

V. SPECIFIC RESPONSIBILITIES

The specific responsibilities of the Committee are as set out in this Section.

A. Internal Control

1. Evaluating whether management is setting the appropriate "control culture" by communicating the importance of internal control and the management of risk and ensuring that all employees have an understanding of their roles and responsibilities.

2. Reviewing annually the adequacy and quality of the Company's financial and accounting staffing, the need for and scope of internal audit reviews, and the plan, budget and the designations of responsibilities for any internal audit.

3. Reviewing the performance and material findings of internal audit reviews.

4. Reviewing annually with the external auditors, any significant matters regarding the Company's internal controls and procedures over financial reporting that have come to their attention during the conduct of their annual audit, and review whether internal control recommendations made by the auditors have been implemented by management.

5. Reviewing major risk exposures (whether financial, operating or otherwise) and the guidelines and policies that management has put in place to govern the process of monitoring, controlling and reporting such exposures.

6. Establishing procedures for the receipt, retention and treatment of any complaints received by the Company regarding internal controls or auditing matters, including procedures to enable confidential, anonymous submissions to be made by employees of the Company and its subsidiaries concerning questionable auditing or accounting matters.

B. Financial Reporting

General

1. Gaining an understanding of the current areas of greatest financial risk and how management is managing these areas of risk effectively.

2. Considering with the internal and external auditors any fraud, illegal acts, deficiencies in internal control or other similar issues.

3. Reviewing significant accounting and reporting issues, including recent professional and regulatory pronouncements, and understand their impact on the financial statements.

4. Reviewing any legal matters that could significantly impact the financial statements.

5. Overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of any disagreements between management and the external auditor regarding financial reporting.

Annual Financial Statements

1. Reviewing the annual financial statements and determining whether they are complete and consistent with the information known to Committee members; assessing whether the financial statements reflect appropriate accounting principles.
2. Focusing on judgmental areas, for example those involving valuation of assets and liabilities; warranty, product or environmental liability; litigation reserves; and other commitments and contingencies.
3. Meeting with management and the external auditors to review the financial statements and the results of the audit.
4. Reviewing the other sections of the annual report before its release and considering whether the information is understandable and consistent with members' knowledge about the Company and its operations.

Preliminary Announcements, Interim Financial Statements and Analysts' Briefings

1. Remaining briefed on how management develops preliminary announcements, interim financial information, MD&A statements, and analysts' briefings; the extent to which the external auditors review such information.
2. Assessing the fairness of the preliminary and interim statements and disclosures, and obtaining explanations from management and internal and external auditors on whether:
    - Actual financial results for the interim period varied significantly from budgeted or mined results;
    - Changes in financial ratios and relationships in the interim financial statements are consistent with changes in the Company's operations and financing practices;
    - Generally accepted accounting principles have been consistently applied;
    - There are any actual or proposed changes in accounting or financial reporting practices;
    - There are any significant or unusual events or transactions;
    - The Company's financial and operating controls are functioning effectively;
    - The preliminary announcements and interim financial statements contain adequate and appropriate disclosures; and
    - There are any breaches of debt covenants.
3. Reviewing the Company's financial statements, MD&A and annual and interim earnings news releases before the Company publicly discloses them.
4. Being satisfied that adequate procedures are in place for review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, other than those referred to in item 3 immediately above and periodically assessing the adequacy of such procedures.

C. External Audit

1. Reviewing the external auditors' proposed audit scope and approach and ensure no unjustified restrictions or limitations have been placed on the scope.
2. Reviewing the performance of the external auditors.
3. Considering the independence of the external auditor, including reviewing the range of services provided in the context of all consulting services bought by the Company.
4. Making recommendations to the Board regarding the reappointment and compensation of the external auditors.

5. Reviewing and approving the employment of any former partner or employee of the external auditor or a former external auditor.

6. Ensuring that significant findings and recommendations made by the external auditors are received and discussed on a timely basis.

7. Ensuring that management responds to recommendations by the external auditors.

8. Pre-approving all non-audit services to be provided by the external auditor[4] to the Company or its subsidiaries other than *de minimus* non-audit services referred to in section 2.4 of Multilateral Investment 52-110.

D. Compliance with Laws and Regulations

1. Reviewing the effectiveness of the system for monitoring compliance with laws and regulations (including insider reporting) and the results of management's investigation and follow-up (including disciplinary action) of any fraudulent acts or non-compliance.

2. Obtaining regular updates from management and the Company's legal counsel regarding compliance matters.

3. Being satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements.

4. Reviewing the findings of any examinations by regulatory agencies.

E. Compliance with the Company's Code of Conduct

1. Ensuring that the Company's Code of Conduct is in writing and that arrangements are made for all employees to be aware of its contents.

2. Evaluating whether management is setting the appropriate "tone at the top" by communicating the importance of the Code of Conduct and the guidelines for acceptable behaviour.

3. Reviewing the process for monitoring compliance with the Company's Code of Conduct.

4. Obtaining regular updates from management regarding compliance.

F. Reporting Responsibilities

1. Regularly updating the Board about Committee activities and making appropriate recommendations.

2. Ensuring the Board is aware of matters that may significantly impact the financial condition or affairs of the business.

3. Reviewing and updating the Charter and receiving any approved changes from the Board.

4. Evaluating the Committee's own performance on a regular basis.

VI. AUTHORITY

The Board grants authority to the Audit Committee, within the scope of its responsibilities, to:

1. Seek any information it requires from any employee (and all employees are directed to co-operate with any request made by the audit committee) or external parties.

2. Obtain outside legal or other professional advice as deemed necessary and to set and authorise the compensation to be paid to such advisors.

3. Ensure the attendance of officers of the Company at meetings as appropriate.

4. Communicate directly with the external auditors or any internal auditors.

[4] This responsibility may be delegated to one or more independent members of the Committee as outlined in Multilateral Instrument 52-110, provided that any such pre-approval is presented to the Committee at its first scheduled meeting following such pre-approval.