



News Release

FOR IMMEDIATE RELEASE
August 23, 2005

TSX, ASX: AVM
Common shares outstanding: 29 million

Anvil Confirms That Allegations Are Unfounded

PERTH – Anvil Mining Limited (TSX, ASX: AVM) confirmed today the following developments in its rejection of allegations that it had knowledge of, or provided assistance to, the Democratic Republic of Congo (DRC) armed forces (known as FARDC), in the committal of any human rights violations during the suppression of a rebel insurgency in the town of Kilwa in October, 2004:

- Following the completion of a comprehensive internal investigation and receipt of advice from Senior Counsel Wayne Martin QC, Anvil has no hesitation in announcing that:
 - The investigation was thorough and complete;
 - The allegations against Anvil are unfounded;
 - There is no credible basis for any suggestion that Anvil or any of its officers or employees committed the offence of bribing a foreign public official or aided and abetted any offences committed by the FARDC during the Kilwa uprising; and
 - There is no credible basis for the assertion that Anvil had any form of civil liability to any of the persons adversely affected by the actions of the FARDC.
- Anvil repeats its previous advice that it has not been contacted by the Australian Federal Police or any other agency of the Australian Government.
- Anvil has received a petition signed by more than 3,700 members of the local Kilwa community and its traditional chiefs expressing outrage at the allegations against the Company and calling on the international community to visit the area and collect reliable information.
- Anvil's internal investigations into the incident were conducted in DRC in July and August following the Four Corners inferences and allegations and those of law firm Slater and Gordon, and included interviews with villagers, village chiefs, employees, local NGOs and local government.
- Anvil is reviewing possible defamation proceedings against organizations in the DRC, Australia and UK arising from the unfounded allegations.

Anvil President and CEO Mr Bill Turner said that the allegations had been a particularly distressing experience for the Company and its employees.

"Anvil employs more than 600 local Congolese nationals and contributes substantially to the local region through social, educational, health and infrastructure programs in one of the poorest communities in the world. Anvil employees and their families wish to again express their empathy to those who may have suffered as a result of the deplorable events last year but welcome the advice that the allegations casting dispersions on them and the Company are unfounded."

"Anvil's vehicles are for the purpose of mining and not for use by the Military. The Company is working with several NGOs to simplify and improve protocols in dealing with the Military, in line with the UK-USA Voluntary Principles on Security and Human Rights, and if a similar incident were to re-occur, local and external NGOs and the Australian, Canadian and DRC governments would be made aware of the situation immediately."

Mr Turner said that the petition from the traditional chiefs was particularly welcome because it confirmed the Company's good standing in the local community.

The petition stated that the local community was outraged by the allegations against the Company, without which the area would not enjoy its recently improved economic and social conditions. The Traditional Chiefs have also called on the international community to send representatives to Kilwa in order to collect reliable information and "find out what actually happened". Extracts of the petition can be viewed at www.anvil.com.au.

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