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ANVIL MINING REPORTS OPERATIONAL AND FINANCIAL RESULTS FOR TWELVE MONTHS ENDED JUNE 30, 2004

(All figures expressed in US dollars)

Perth, Western Australia --Anvil Mining Limited (TSE and ASX: "AVM") ("Anvil" or the "Corporation") is pleased to announce its results for the twelve months ended June 30, 2004. The complete financial statements are available for review at www.anvil.com.au

Highlights - Twelve Months Ended June 30, 2004

- Dikulushi Mine produced 13,587 tonnes of payable copper (29.3 million pounds) and 1.14 million ounces of payable silver contained in concentrates at a total cash cost of \$0.49 per pound (after silver credits).
- Net Earnings of \$6.0 million or \$0.31 per share.
- Cash resources increase to \$7.2 million.
- Stage II expansion of Dikulushi commenced in November 2003 and was completed in August 2004, with commissioning to be completed during September 2004.
- Deep drilling of the Dikulushi ore body extends mineralization to a depth of 300 vertical metres below surface.
- Reorganization with the Corporation now listed on the Toronto Stock Exchange, the Australian Stock Exchange and the Berlin Stock Exchange.

Financial Results

Net Earnings

	Years ended June 30,	
	2004	2003
Net Earnings – \$ (millions)	\$6.0	\$(0.8)
Basic earnings per share	\$0.31	\$(0.04)
Diluted earnings per share	\$0.29	\$(0.04)

The Net Earnings for the year increased to \$6.0 million (2003: loss \$0.8 million). Basic earnings per share increased to 31 cents per share (2003: loss 4 cents per share). The results reflect the Dikulushi Mine running for a full 12 months compared with only 8 months for the previous year, following the commissioning of the mine in September 2002. The results also reflect an improvement in both copper and silver prices during the period.

Operating Results

	Years ended June 30,			
	2004	2003	2002	2001
Statement of Operations				
Total Revenues (\$ millions)	\$30.5	\$10.6	\$2.3	\$0.7
Net Earnings (Loss) (\$ millions)	\$6.0	\$(0.8)	\$1.6	\$0.1
Net Earnings per share (\$)	\$0.31	\$(0.04)	\$0.11	\$0.01
Diluted Net Earnings per share (\$)	\$0.29	\$(0.04)	\$0.11	\$0.01
Balance Sheet				
Total Assets (\$ millions)	\$32.0	\$15.1	\$8.6	\$4.1
Total long-term liabilities	\$3.1	\$2.1	\$0.0	\$0.0
Shareholder's Equity (\$ millions)	\$20.5	\$6.6	\$5.6	\$2.4
Cash Flow from:				
Operating activities (\$ millions)	\$4.6	\$0.6	\$(1.0)	\$(0.2)
Operating per share	\$0.23	\$0.04	\$(0.07)	\$(0.01)

The full year Total Revenues increased to \$30.5 million (2003: \$10.6 million) from the sale of 33,797 tonnes of copper-silver concentrate (2003: 18,854 tonnes of copper-silver concentrate) yielding 29.3 million payable pounds of copper (2003: 15.2 million payable pounds of copper) and 1,141,000 ounces of payable silver (2003: 472,000 ounces of payable silver). In addition other income in the financial year to June 30, 2004 increased to \$1.4 million (2003: \$0.2 million), mainly from the gain on the sale of 492,300 shares in Golden Star Resources Ltd ("GSR") (2003: mainly from the gain on the sale of 250,000 shares in GSR).

Annual Revenues	Years ended June 30,	
	2004	2003
Sales of copper-silver concentrate (\$ millions)	\$29.1	\$10.4
Other income	1.4	0.2
Total Revenue	30.5	10.6
Sales Statistics		
Copper in concentrate delivered (payable pounds)	29.3 million	15.2 million
Silver in concentrate (payable ounces)	1.14 million	0.47 million
Realized Price		
Copper (\$ per pound)	\$0.97	\$0.70
Silver (\$ per ounce)	\$5.39	\$4.46

The realized copper price rose to \$0.97 per pound (2003: \$0.70 per pound) and silver to \$5.39 per ounce (2003: \$4.46 per ounce) which was a reflection of the LME copper price rising to a peak during April 2004 of \$1.44 per pound and silver rising during April 2004 to a peak of \$8.29 per ounce.

Costs of Operations were \$16.7 million (2003: \$8.5 million) reflecting the full twelve months of operations during 2004 compared with eight months of operations in 2003. The higher average monthly operating costs resulted from increases in transport and labour costs. Transport costs per month have increased, as a result of higher volumes of concentrate being delivered to the smelters in Namibia and South Africa. However the transport costs per tonne have actually fallen, owing to lower rates achieved for deliveries to the Palabora smelter in South Africa. Higher labour costs are mainly a result of an increase of approximately one third in the number of employees at the mine site. This was due to increased activity related to minesite infrastructure development in advance of the Stage II expansion.

Costs	Years ended June 30,	
	2004	2003
Cost of Operations (\$ million)	\$16.7	\$8.5
Cash Costs (ex mine gate – after silver credits) (\$ per pound)	\$0.21	\$0.15
Total Cash Costs (after silver credits) (\$ per pound)	\$0.49	\$0.52
Production Statistics		
Copper Produced (tonnes)	13,587	8,105
Silver Produced ('000s ounces)	1,212	589
Ore mined (tonnes)	276,088	186,710
Ore Grade Mined – Copper (%)	7.21%	7.68%
Ore Grade Mined – Silver (g/t)	198	172
Waste mined (tonnes)	2,913,431	2,127,435

The cash operating cost per pound of payable copper (after silver credits) was \$0.49 per pound of copper (2003: \$0.52 per pound of copper) and the average realized copper and silver sales prices were \$0.97 per pound (2003: \$0.70 per pound) and \$5.39 per ounce (2003: \$4.46 per ounce) respectively.

	Years ended June	
	2004	2003
Cash Flows from: (\$ millions)		
Operating activities	\$4.6	\$0.6
Investing activities	\$(6.7)	\$(5.1)
Financing activities	\$8.5	\$3.3

The cash inflow from operating activities was \$4.6 million (2003: \$0.6 million) or \$0.23 per share (2003: \$0.04 per share). The increase in operating cash inflow was attributable

to a full year of production compared with only 8 months for the 2003 financial year, as well as the increase in revenue arising from the higher copper and silver prices realized.

Operating cash outflows also increased owing to the build-up of ore and concentrate stockpiles, additional inventory of spares and consumables, of \$1.2 million (2003: \$0.9 million) and further deferred stripping during the year of \$1.3 million (2003: \$0.6 million) as well as a reduction of accounts payable of \$0.5 million (2003: increase \$2.5 million).

The cash outflows as a result of investing activities amounted to \$6.7 million (2003: \$5.1 million) and related to payments for construction labour, materials and components for the Dikulushi Stage II expansion of \$7.7 million (2003: completion of Stage I of \$5.0 million), and further regional exploration and the deep drilling of the Dikulushi resource \$0.8 million (2003: \$0.4 million). These outflows were offset by inflows from the sale of GSR shares of \$1.6 million (2003: \$0.3 million).

The cash inflow from financing activities generated \$8.5 million (2003: \$3.3 million). This resulted in part from the issue of 1,650,000 Common shares at Canadian \$4.25 each pursuant to the Initial Public Offering ("IPO") following the Reorganization of the Company and exercise of options to acquire fully paid shares and conversion of partly paid shares into fully paid shares in Anvil NL, prior to the Reorganization which generated in total \$6.6 million (2003: \$0.8 million from share placements).

Under the RMB International (Dublin) Ltd Stage II project finance facility, the Corporation took on another \$5.0 million of debt by expanding the existing Stage I project financing facility. The Corporation drew down \$4.0 million (net of facility fees of \$0.25 million) on the expanded facility (2003: Stage I facility \$3.75 million drawn-down) and repaid \$1.5 million (2003: \$1.125 million) of the Stage I facility.

The Corporation repaid in full the sales advance facility of \$0.25 million provided by Republic House AG, the Corporation's concentrate off-taker. The Corporation also repaid \$0.286 million (2003: \$0.15 million) (net of deductions of \$0.064 million) of the \$0.5 million Metallurgical Design & Management (Pty) Ltd ("MDM") overrun facility in relation to the Stage I construction.

Cash and cash equivalents increased to \$7.2 million as at June 30, 2004 (2003: \$0.6 million), as a result of the positive cash flow from operating activities, the initial public offering following the Reorganization and the exercise of options and conversions of partly paid shares, prior to the completion of the Reorganization.

Consolidated Balance Sheet as at June 30, 2004 and 2003.

	2004	2003
Assets (\$ millions)		
Cash and cash equivalents	\$7.2	\$0.6
Current assets	11.1	3.3
Total assets	32.0	15.1
Liabilities (\$ millions)		
Current liabilities	\$7.8	\$6.4
Long-term debt	2.8	2.1
Total liabilities	10.9	8.5
Shareholders' Equity (\$ millions)	20.5	6.6
Working capital (\$ millions)	\$3.3	(\$3.1)
Weighted Average number of shares	19,746,568	17,859,091
Outstanding number of shares	23,554,229	18,628,999

Dikulushi Stage II Expansion

Commissioning of the Dikulushi Stage II expansion (addition of ball mills and flotation circuit) commenced at the end of August 2004 and following the ramp-up, the Corporation expects an increase in copper and silver production of approximately 50% over Stage I design.

Anticipated attractive benefits of the Stage II expansion include:

- a) an increase in plant recoveries from the current 71% to approximately 92%,
- b) an increase in concentrate grades from an average of 40% copper and 1,000 g/t silver to over 55% copper and 1,700 g/t silver, and
- c) a reduction in the concentrate transportation charges and the smelting charges per pound of copper produced, as a result of the higher concentrate grades.

Exploration

On July 28, 2004, the Corporation announced the results of a 14 drill hole program (totalling 3,767 metres of diamond drilling) completed during the June 2004 Quarter at the Dikulushi Mine. The aim of the program was to test for extensions of the Dikulushi deposit below the base of the current 120 metre open pit design. The drilling program was extremely successful in extending the resource down dip to a vertical depth of around 300 metres. Furthermore, all indications are that the mineralization will continue below 300 metres vertical depth.

Reorganisation

Anvil Mining Limited was established on January 8, 2004, for the purpose of becoming the new Canadian holding Corporation of Anvil Mining NL (Anvil NL), an Australian company, pursuant to a court-approved scheme of arrangement under Australian law (the "Reorganization"). The Reorganization was approved by a majority of shareholders of Anvil NL on May 18, 2004, following which the Supreme Court of Western Australia approved the Reorganization.

Prior to the Reorganization, the ordinary shares of Anvil NL were traded on the Australian Stock Exchange (the "ASX"), where they have traded since November 1993 and on the Berlin Stock Exchange (the "BSX"), where they have traded since July 1997. Upon the Reorganization becoming effective, Anvil NL became a wholly owned subsidiary of the Corporation; the ordinary shares of Anvil NL were de-listed from the ASX and the BSX. The shareholders of Anvil NL received one Common Share in the Corporation in exchange for each ten ordinary shares in Anvil NL held immediately before the Reorganization (the "Exchange Ratio"), and holders of convertible securities in Anvil NL (including incentive stock options) received equivalent convertible securities of the Corporation adjusted to reflect the Exchange Ratio. Subsequent to the Reorganization and listing of the Corporation on the Toronto Stock Exchange (the "TSX"), the Corporation's shares were relisted on the ASX and BSX.

Outlook

Following the completion of the Stage II expansion of the ore processing facilities at the Dikulushi mine, the Corporation has budgeted to produce 20,000 tonnes of copper contained in concentrates on an annualized basis. The concentrates produced from the Stage II flotation concentrate plant are expected to contain approximately 1.8 million ounces of silver on an annualized basis.

The Stage II expansion is expected to result in a reduction of cash costs per pound of copper produced, as the higher-grade concentrates result in reduced unit transport costs and smelter charges per pound of payable copper (as these charges are based on tonnes of concentrates). Based on the results of recently completed deep drilling program at Dikulushi, the Corporation expects that the potential mine life for the underground mine at Dikulushi will increase by a further two years. The Corporation intends to undertake deeper drilling to evaluate the resource below 300 metres vertical depth, as the orebody beyond this level is still essentially untested.

Grant of Stock Options

The Corporation also announced that it has granted the following options:

- (i) An aggregate of 120,000 options to three employees, each exercisable at Canadian \$4.30 and having a term of six years;
- (ii) 25,000 options to each of two employees, exercisable at prices of Canadian \$5.20 and Canadian \$5.60 respectively, and having terms of 3 years; and

- (iii) An aggregate of 100,000 options to the Corporation's four non-executive directors, exercisable at Canadian \$4.30 each and having a term of six years, subject to receipt of shareholder approval.

Annual General Meeting

The Corporation announces that its Annual General Meeting will be held October 29, 2004 in Toronto, Ontario. The record date for the meeting has been set as September 21, 2004 and meeting materials will be mailed to shareholders shortly thereafter.

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Additional Notes

Information of a scientific or technical nature in this management discussion and analysis and financial review has been prepared under the supervision of Bill Turner, President and Chief Executive Officer of Anvil Mining Limited, a Fellow of the Australasian Institute of Mining and Metallurgy who has more than five years experience in the field of the activity reported herein and is a qualified person under National Instrument 43-101.

Non-GAAP Financial Measures

The terms "total cash cost" and "cash cost of production" are used on a per pound of copper basis. Total cash cost per pound is equivalent to mining operations, transport and smelting expenses (including the net credits for silver revenues) for the period divided by the number of pounds of copper produced during the period. Cash cost of production per pound of copper is equivalent to total cash cost per pound less transport and smelting expenses. Cash operating cost information is included to provide information about the cost structure of mining operations. The term "operating profit" represents the net attributable revenues after deducting mine operating costs. The mine operating costs exclude exploration expense, foreign exchange gains and losses, amortization and interest and financing fees. This information differs from measures of performance determined in accordance with CAAP in Canada and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with

GAAP. These measures are not necessarily indicative of operating profit or cash flow from operations as determined under GAAP and may not be comparable to similarly titled measures of other companies.

Forward Looking Statements

The forward-looking statements made in this Management's Discussion and Analysis are based on assumptions and judgements of management regarding future events and results. Such forward-looking statements, including but not limited to those with respect to the prices of copper and silver, estimated future production, estimated costs of future production involve known and unknown risks, uncertainties, and other factors which may cause the actual results, performance or achievements of the Corporation to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual prices of copper and silver, the actual results of current exploration, development and mining activities, changes in project parameters as plans continue to be evaluated, as well as those factors disclosed in the Corporation's filed documents.