

Building on Success in the Democratic Republic of Congo



ANVIL
MINING LIMITED

September 2005

About Anvil

Anvil Mining Limited is an expanding copper producer with interests in the Democratic Republic of Congo (DRC). The Company has one high-grade copper and silver mine which has been in production since 2002, an advanced copper project due to begin production by the end of 2005, and a copper-cobalt project currently under evaluation. The Company has a strong management team with extensive experience in Africa and proven development and operating expertise.

Anvil is committed to –

- continued growth in the DRC,
- increasing shareholder value, and
- social development for local communities

The Company is an unhedged producer listed on the Toronto (TSX) and Australian (ASX) stock exchanges under the symbol AVM.



Share Price



Note: the ASX/TSX closing price ratio for AVM common shares is approximately 10 to 1.

Shares outstanding (August 8, 2005)

- Basic: 29.0 million
- Fully diluted: 33.4 million

Market Capitalization (Basic):

- C\$ 130 million

All amounts are expressed in US \$ unless otherwise indicated.

Tapping DRC Potential

The Democratic Republic of Congo (DRC) is making a solid recovery from the impacts of civil war. As business confidence improves, the Government and private industry are unlocking the potential of one of the most important copper provinces in the world. One of the Government's top priorities has been the revitalization of the national economy. As part of this process, the Government has enacted a new Mining Code, supported by the World Bank. The new code provides a firm base for foreign investment in the mining industry. As a result, some of the world's major resource companies are positioning themselves to invest in new projects - particularly in Katanga Province, where Anvil has substantial mineral interests. The area has enormous potential wealth

Key strengths

- Outstanding mineral tenements and profitable operations
- A strong management team with experience in Africa
- Close relationships with the local communities
- An established track record
- Significant growth opportunities.



with some of the world's richest deposits of copper and cobalt.

Much has changed in the DRC during the past four years. The Government has signed accords with all major parties to the conflict, a transitional government has been in place since 2003 and the United Nations has established a 16,000 strong permanent mission in the country. Democratic elections are due in 2006. Economic recovery is being underpinned by renewed foreign interest and the involvement of organizations like the World Bank. The combination of a gradually improving investment climate and substantial mineral resource potential has laid the foundation for significant economic development and community benefits.

Strategy for Growth:

Anvil has a major stake in the famous 600 kilometre African Copperbelt – containing some of the world's most important copper and cobalt deposits. Three key assets are laying the foundation for Anvil's growth.

Dikulushi operation (90% interest): This high-grade copper-silver mine, on the northern side of the Congo Copperbelt, is the cornerstone of the Company's development plans for mineral production in Africa. Ore from the Dikulushi mine, which has an average resource grade of more than 7% copper and 6.7 ounces of silver per tonne, is extracted by open pit mining and processed in the plant commissioned in 2002 and substantially upgraded in 2004. The mine currently produces at an annual rate of 20,000 tonnes of copper (44 million pounds) and 1.8 million ounces of silver (contained in concentrate form).

In June, the Company successfully commissioned the second ball mill increasing the design milling capacity by 33% to 1,400 tonnes per day. For the six month period ended June 30, 2005, the mine generated revenues of \$18.2 million from production of 5,954 tonnes of copper (13.1 million pounds) and 547,011 ounces of silver with an ex-mine gate operating cash cost, after silver credit of \$0.49 per pound of copper. The total cash cost after silver credit was \$0.93 per pound of copper.

In the second quarter of 2005, the Company finalised a \$13.3 million Political Risk Insurance policy for the mine from MIGA, a member of the World Bank Group, and private international insurers. The guarantee marks MIGA's first guarantee for a mining project in the DRC.

Mutoshi Joint Venture: (70% interest): In partnership with the Government-owned Gecamines (20%) and a private Congolese company (10%), Anvil has secured a major stake, totaling 134 square kilometres, in the renowned Kolwezi-Klippe - a relatively

small but highly mineralised area which has accounted for approximately 70% of the historical production from the Congo Copperbelt. The seven known prospects acquired last year include the Kulu coarse rejects/tailings project being developed in the second half of 2005 and the Mutoshi cobalt project which is under evaluation. Anvil's investment in the Kolwezi area for a total acquisition cost of \$12.5 million marks a significant advance in the Company's development.

Kulu copper project coarse rejects/tailings: The first of Anvil's Kolwezi projects to be developed, Kulu is being fast-tracked to start production before the end of 2005. The average grade of the resource is expected to be about 4% Cu, but recent sampling of the first 7.5 km of the deposit to a depth of three metres has outlined inferred mineral resources of 1.5 million tonnes at 6.8% Cu using a top cut of 11.5% Cu for approximately 102,000 tonnes of contained copper.

The Kulu project will be developed in two stages.

Stage I will involve utilizing the surplus Heavy Medium Separation (HMS) plant from the Dikulushi mine. The HMS plant has been completely refurbished at the Dikulushi mine site for use at Kolwezi where it is expected to produce approximately 16,000-17,000 tonnes of copper per year (assuming a metallurgical recovery of 65% and a processing rate of 380,000 tonnes per annum) for an initial four-year mine life.

Stage II will involve a substantial expansion of the operation by replacing the HMS plant with a solvent extraction electro-winning (SX-EW) facility to produce copper cathode on site and for sale in the DRC.

Mutoshi copper-cobalt project: The Mutoshi joint venture leases cover 48 square kilometres and include an area with cobalt mineralisation referred to as the Mutoshi Cobalt Prospect on

the western side of the abandoned Mutoshi open pit. During the second quarter of 2005, 140 reverse circulation (RC) holes and 18 diamond holes were drilled on this prospect on a grid of approximately 50 metres by 50 metres. Continued drilling and resource evaluation will be used in planning the development of a new operation in the area. A resource statement should be available in the second half of 2005.

Kinsevere copper-cobalt project

(70 % interest): In partnership with Kataga sprl (MCK), a Congolese mining company, Anvil is confident that the Kinsevere copper-cobalt deposit, 50 km north of Lubumbashi, will be a key component of the Company's development plans for the DRC. As part of the joint venture agreement with MCK, the Company will carry out a feasibility study into the potential development of the Kinsevere-Nambulwa copper-cobalt deposits. An 8,000-metre drilling program was completed during the first half of 2005 with a view to defining resources to a depth of 50 metres, and obtaining some indication of the resource potential to 75 metres.

The area has extensive high-grade mineralization in four distinct outcropped zones. The grade and location of the minerals would fit the Company's strategy for growth based on staged development to limit the initial risk and capital cost. The company plans to issue a resource statement in the final quarter of 2005.

Growth plans

- **Triple reserve base by December 2005**
- **Increase resource potential for a 15-20 year mine life**
- **Begin production of approximately 17,000 tonnes per annum of copper concentrate from the Kulu starter project by 2006**
- **Expand Kulu to produce up to 30,000 tonnes per annum of cathode copper by 2008**
- **Continue growth plans to establish Anvil as a 75,000 tonnes per annum mid-tier producer by 2010**



Community Support

One of Anvil's key priorities is the support of communities in which it operates. The Company has recruited more than 95% of its workforce locally. New employees are being trained for key operational posts and future work in industry and commerce. In addition, Anvil has established an extensive community development program to improve education, health, medical and water services to the region. The company is making a significant contribution to community facilities in the region through a 10% interest in the mine held in trust for the local community.

Since the start of production, Anvil's principal community investments have included:

- Employment of 650 people, of whom fewer than 5% are expatriate staff;
- Continuous training programs for newly graduated students and technicians;
- Construction of a 12-classroom school in Dikulushi;
- Support for teaching staff and materials for the school;
- Refurbishment of the Kilwa hospital;
- Appointment of a full time doctor and nursing staff to provide health care for the employees, their families and other local residents. To facilitate easier community access the medical clinic has been moved outside the mine gate;
- Development, upgrading and maintenance of roads and bridges;
- Provision of potable water systems to Dikulshi and Pweto villages; and
- Installation of power lines to the local school and catholic mission in Kilwa.



Directors

(5 directors of which 4 are independent):

Philip K.R. Pascall, Chairman

Non-executive director of Anvil Mining Limited
Chairman and Chief Executive Officer;
First Quantum Minerals Ltd.

William S. Turner,

President and Chief Executive Officer
Anvil Mining Limited

Peter J. Bradford

Non-executive director of Anvil Mining Limited

President and Chief Executive Officer;
Golden Star Resources Ltd.
Director of companies

John W. Sabine

Non-executive director of Anvil Mining Limited
Partner, Fraser Milner Casgrain LLP
Directors of companies

Thomas C. Dawson

Non-executive director of Anvil Mining Limited
Director of companies

Officers

William S. Turner

President & Chief Executive Officer

Craig R. Munro

Vice President Corporate and Finance

Malcolm Hillbeck

Vice President Operations

Robert LaValliere

Vice President Investor Relations

Michael T. O'Sullivan

Vice-President Development – DRC

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