

News Release

FOR IMMEDIATE RELEASE

May 24, 2006

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

TSX, ASX: AVM

Common shares outstanding 53.2 million

Anvil Mining's Board of Directors Green Lights Stage I Development at Kinsevere Copper/Cobalt Project

Anvil Mining Limited (TSX, ASX: AVM), (“Anvil” or “Company” and refers to the Anvil Group) today announced that its board of directors has approved the \$35 million Stage I development of the Kinsevere copper/cobalt deposits following the completion of the feasibility study in early May 2006. The Kinsevere project, which comprises the Kinsevere Hill, Tshifufia and Tshifufiamashi deposits, is located 27 kilometres north-north-east of Lubumbashi, the provincial capital of the Katanga Province of the Democratic Republic of Congo (DRC).

The Joint Venture Company AMCK s.p.r.l., in which Anvil owns a 70% interest, and Mining Company of Katanga s.p.r.l. (MCK), a local Congolese company which owns a 30% interest, will develop the Kinsevere project in a phased approach similar to that previously used by Anvil to successfully develop its Dikulushi and Kulu operating mines in the DRC. The Kinsevere Stage I development comprises the construction of a crushing plant (which has been designed to meet the needs of planned future expansion), a one million tonne per annum heavy media separation (HMS) plant and an electric arc furnace (EAF), with a capacity to produce approximately 23-25,000 tonnes per annum of “black copper” ingots grading 85%-95% copper.

It is expected that Stage I will be completed at the end of the first quarter of 2007. Stage I will include an upgrade of the existing 25 kilometre access road into the project, the construction of a 27 km power line from the 220 KVA National hydroelectric grid system (with additional built-in capacity for subsequent solvent extraction and electrowinning (SX-EW) upgrading and expansion) and ancillary buildings on site. Financing of this first phase of construction costing \$35 million will come from the Company's existing cash resources, which at the end of the first quarter of 2006 were \$112 million.

It is anticipated that the Joint Venture partners will upgrade and expand the HMS-EAF processing facilities within approximately 2-3 years with an SX-EW plant that would be capable of producing 30,000 tonnes per annum of LME grade “A” cathode copper. A feasibility study on the Stage II SX-EW upgrade has commenced and is now expected to be completed during the fourth quarter of 2006. A significant portion of the infrastructure

required for the Stage II SX-EW development will be completed during the Stage I construction.

Bill Turner, President and CEO, stated “We are extremely pleased with the progress being made on the Kinsevere project and, with our partner MCK, we look forward to implementing our aggressive development schedule on this high-grade, open pit copper-cobalt project, as well as accelerating the exploration program on the surrounding licences in order to increase our resource base.”

“Anvil’s staged development approach has been used very successfully at the Dikulushi and Kulu Mines and we are confident that it will serve us well at Kinsevere which will be the Company’s third mine development in the DRC since 2002. With existing cash resources of over \$112 million, no debt, being unhedged and having two operating open pit copper mines generating strong cash flow, the Company is in an excellent position to deliver the Kinsevere Stage I and Stage II developments, as well as to pursue other project expansions in its pipeline of projects in the DRC. With the development of Kinsevere, the Company will be well positioned to realize its near-term goal of producing 100,000 tonnes of copper per year, a large proportion of which is expected to be cathode copper”.

Highlights of Feasibility Study:

- Probable reserves of 5.2 million tonnes at 3.9% copper and 0.12% cobalt;
- Inferred resources of 2.6 million tonnes at 5.0% copper and 0.24% cobalt;
- Total contained copper metal of 334,022 tonnes;
- Strip ratio (waste:ore) of 3:1;
- Initial Capital Phase I of \$35 million;
- Average annual copper production HMS/EAF of 23-25,000 tonnes of black copper grading an average of 85-95% copper;
- Average operating cash cost during Stage I of \$0.85 per pound of copper; and,
- Construction period of 10 months with commissioning to commence March 2007.

Mineral Reserves and Resources

The recently completed Feasibility Study was based on the Kinsevere resource estimate reported in a NI 43-101 Technical Report completed in December 2005 and filed with SEDAR at www.sedar.com. A News Release to this effect, including the names of the qualified persons, was issued by the Company on November 30, 2005.

The initial reserve and resource estimates, as determined during the Feasibility Study, are entirely contained in the oxide zone down to 100 metres vertical depth and were optimized using Whittle 4X software.

The conversion rate of resources to reserves on the Kinsevere deposits is particularly high and augers well for the aims of the current resource drilling program to expand resources and reserves.

The results of these optimizations are summarized in the following table:

KINSEVERE PROJECT STAGE I DEVELOPMENT RESERVES AND RESOURCES FOLLOWING PIT OPTIMIZATION				
Classification	Ore Tonnes	% Cu	% Co	Cu Metal (Tonnes)
Probable Reserves				
Tshifufiamashi	2,164,538	4.05	0.17	87,663
Tshifufia Central	2,459,280	3.86	0.10	94,928
Kinsevere Hill	558,613	3.51	0.01	21,785
Total Probable Reserves	5,182,432	3.90	0.12	204,377
Inferred Resources included in Pit Design				
Tshifufiamashi	409,256	5.17	0.20	21,158
Tshifufia Central	1,644,248	5.84	0.32	96,024
Kinsevere Hill	534,882	2.33	0.03	12,463
Total Inferred Resources included in Pit Design	2,588,385	5.01	0.24	129,645
Total Reserves & Resources in Pit Design	7,770,817	4.30	0.16	334,022

Ongoing exploration drilling

A drilling campaign of at least 7,000 metres has commenced on the three deposits, Tshifufia Central, Tshifufiamashi and Kinsevere Hill, now that the wet season is over. This program has been designed to improve the resource categories as well as to expand the resource base of these high-grade deposits.

The 2005 drilling program carried out by Anvil and MCK, comprising 7,888 metres of RC and diamond drilling, identified an indicated resource in the oxide zone down to 100 metres vertical depth of 5.6 million tonnes at an average grade of 3.7% copper with an additional inferred resource of 2.7 million tonnes at an average grade of 5.1% copper for a combined total of 348,000 tonnes of contained copper metal. During that program, some deep diamond holes were drilled to test the possibility of depth extensions below 100 metres vertical depth into the underlying sulphide zone. The first of the deep diamond drill holes in this program, drilled under the Tshifufia Central deposit, encountered an encouraging zone of sulphide mineralization, with intersections of 64 metres at 3.3% Cu and 0.4% Co followed immediately by 208 metres at 3.2% Cu and 0.14% Co. A cross-section showing these and other drill results was released in the Company's News Release dated November 30, 2005 and can be found via the following link: http://www.anvil.com.au/prj_tshfufia.shtml

The 2005 drilling program resulted in a very high discovery rate of approximately 45 tonnes of copper metal of resource per metre of drilling completed at the Kinsevere project last year.

The Company expects to expand these resources once the current drilling program is completed. “We believe that the Kinsevere project offers enormous potential to further increase the resource base along strike and down dip from the three deposits,” commented Bill Turner.

Drilling at the Nambulwa deposit, located some 25 kilometres north of the Kinsevere area, and which was not included in last year’s drilling program, is expected to start in the third quarter of 2006.

Engineering firms involved in the study and capital expenditures

Companies involved in the preparation of the Feasibility Study and their areas of responsibility were as follows:

▪ Exploration activities	Anvil Mining Services (AMS)
▪ Resource estimation and reporting	Fineore Pty Ltd, Perth
▪ Resource optimization	Fineore Pty Ltd, Perth
▪ Engineering Design	Intermet Engineering Pty Ltd, Perth
▪ Metallurgical test work	IML Pty Ltd, Perth
▪ Capital Cost Estimate	AMS, Intermet Engineering Pty Ltd
▪ Operating Cost Estimate	Anvil Mining Services
▪ Report Generation	Anvil Mining Services

Capital expenditures for Stage I include a significant amount of the infrastructure required for Stage II, particularly as it relates to crushing capacity and electrical power demands for the proposed SX-EW facility. Pre-production costs, including mainly exploration and resource drillout and pre-stripping, are estimated at approximately \$5 million. The summary of the development costs for Kinsevere Stage I, excluding pre-production capital, is as follows:

➤ Hydroelectric power supply	\$9.8 million
➤ Electric Arc Furnace	\$5.8 million
➤ Crushing facilities, plant and HMS	\$11.3 million
➤ Support facilities	\$5.1 million
➤ Sub-total	\$32.0 million
➤ Contingency	\$3.0 million
➤ Total development estimate	\$35.0 million

Agreement with Gécamines

The Kinsevere project is located on mining and exploration properties held by La Générale des Carrières et des Mines (Gécamines), the DRC government mining company. In November 2005, an exclusive “*Contrat d’Amodiation*” (Lease Agreement) was signed between MCK and Gécamines for a period of 25 years to mine and process ore from the Kinsevere and Nambulwa copper-cobalt deposits. In conjunction with the finalization of this Lease Agreement, Anvil and MCK have signed a separate agreement giving Anvil a 70% interest in the Lease Agreement. This interest has in turn been assigned to a local company,

AMCK s.p.r.l. (AMCK), a newly incorporated joint venture company between Anvil Mining Limited and MCK. AMCK is the operating company.

Royalty Payments

The Lease Agreement provides for the AMCK joint venture 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 is calculated on both copper and cobalt mined as copper equivalent tonnes (Cu_{eq}) and varies from a floor price of \$35 per tonne of Cu_{eq} at a London Metal Exchange (LME) copper price of \$2,200 per tonne (or \$1.00/lb Cu) to a ceiling price of \$70 per tonne of Cu_{eq} at an LME copper price of \$4,000 per tonne (or \$1.81/lb Cu). The royalty payments amount to \$0.016 per pound of copper equivalent (Cu_{eq}) mined at an LME copper price of \$1.00 per pound to \$0.032 per pound of copper equivalent (Cu_{eq}) mined at an LME copper price of \$1.80 per pound.

The full terms and conditions of the agreements between Anvil and MCK, and MCK and Gécamines can be found in the Company's News Release dated November 30, 2005.

Anvil Mining Limited is an unhedged copper and silver producer whose shares are listed for trading on the Toronto Stock Exchange and the Australian Stock Exchange under the symbol AVM. It owns and operates the Dikulushi copper-silver mine and the Kulu copper coarse rejects/tailings operation in the Katanga Province of the DRC.

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Caution Regarding Forward Looking Statements: *The forward-looking statements made in this News Release are based on assumptions and judgments of management regarding future events and results. Such forward-looking statements, including but not limited to those with respect to the prices of copper and silver, resource and reserve estimates, estimated future production and 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 Company to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of copper and silver, the actual results of current exploration, the actual results of future mining, processing and development activities at the Company's mines and projects in the DRC, changes in project parameters as plans continue to be evaluated, as well as those factors, including political risk factors and logistics risk factors, disclosed in the Company's filed documents.*