anvilmining

News Release

FOR IMMEDIATE RELEASE **TSX, ASX: AVM**
March 17, 2009 **Common shares outstanding 71.2million**
All amounts are expressed in US dollars, unless otherwise stated.

Anvil Mining Reports Fourth Quarter and Year-End 2008 Financial Results

Montréal, Canada: Anvil Mining Limited (TSX, ASX: AVM), ("Anvil" or the "Company"), today announced a net loss for the fourth quarter ended December 31, 2008 of $151.2 million (-$2.12 per share on a weighted average number of shares basis), compared to net income of $21.7 million ($0.31 per share) for the fourth quarter of 2007. Net sales for the fourth quarter of 2008 totalled $13.9 million, down 83% from the fourth quarter of 2007. Operating cash flow for the quarter, before working capital movements, was negative at -$26.1 million, (-$0.37 per share). The year-end 2008 net loss was $138.5 million (-$1.95 per share) on net sales of $191.2 million, compared to net income of $117.2 million ($1.81 per share) on sales of $263.2 million in 2007. Operating cash flow for 2008, before working capital movements, was $33.8 million ($0.47 per share). These results were negatively affected by higher operating costs mainly at the Dikulushi and Mutoshi mines, lower production and realized copper prices and one-off charges of $143.0 million for the fourth quarter and $151.0 million for the full year 2008 resulting from the severe deterioration in base metal and debt markets that occurred during the second half of 2008.

Bill Turner, President and Chief Executive Officer of Anvil, commented, "These results reflect the sharp decline in the copper price that took place during the second half of 2008, the global economic slowdown and the response implemented by the company during the fourth quarter of 2008. Even though market conditions have changed dramatically, the Kinsevere resource is still a significant, high-grade copper resource with potential to increase in size and the 60,000 tonnes per year Stage II SX-EW development remains a robust project with an expected cash cost at the mine gate of $0.88/lb Cu. The Company is currently committing every effort to securing the required funding of approximately $200 million to allow for recommencement of construction of the Stage II development. In addition to the decisive actions taken since the fourth quarter of 2008, the Company is taking further steps to reduce administration overheads with further restructuring and a personal contribution of a 20% reduction in fees and salaries for the Board, senior management and staff."

The complete 2008 audited financial statements together with the related Management's Discussion and Analysis (MD&A) are available on Anvil's website at **www.anvilmining.com** under the heading "Quarterly Reports" within the Investor Relations section.

Summary of current position and outlook

As a result of events during the second half of 2008, most notably a sharp fall in the copper price, highly illiquid capital markets and a deterioration in the outlook for global economic growth, Anvil put in place a strategy appropriate for the circumstances to best position itself to be able to continue with the development of its Kinsevere Stage II Solvent Extraction-Electrowinning ("SX-EW") plant, should funding become available in 2009.

As a result, the Company has implemented a number of initiatives to reduce operating costs and preserve cash, including:

- Placing the fabrication and construction works associated with the Kinsevere Stage II SX-EW development on hold until additional finance is available and there is greater certainty in global financial and commodity markets;
- Suspension of concentrate production, postponement of underground development work and initiation of a care and maintenance program at the Dikulushi mine;
- Cessation of the Heavy Media Separation ("HMS") processing operations at the Mutoshi mine;
- Evaluation of the impact on productivity of refurbishment works carried out on the Electric-Arc Furnace ("EAF") at Kinsevere Stage I during February and March 2009, with a decision on the continued operation of the EAF expected by the end of the first quarter of 2009;
- Consideration of the possibility of restarting the Kinsevere HMS plant with minimal operational staff and producing an oxide concentrate from existing Run of Mine stockpiles which currently amount to in excess of 250,000 tonnes at a grade of more than 5.0% copper. This could produce more contained copper and higher cash flow at lower risk than the EAF;
- Cutting operating and administrative costs to the minimum necessary to support essential operations with the Company's workforce reduced from 2,200 employees in November 2008 to the current level of 360 employees, with the Board, senior management and staff making a personal contribution to the efforts to lower costs with a 20% reduction in salaries and fees; and
- Curtailment of all but essential capital spending and suspension of all exploration activity.

In addition to the above initiatives, the Company has reached agreement with La Générale des Carrières et des Mines ("Gécamines") and the Government of the Democratic Republic of Congo ("DRC") on the terms of its Kinsevere "*Contrat d'Amodiation*" (Lease Agreement) and the Dikulushi Mining Convention.

The Company remains committed to the development of its Stage II 60,000 tonnes per year SX-EW plant at Kinsevere and is reviewing arrangements under which construction works could recommence as quickly as possible should the necessary funding be secured. The estimated timeframe for completion of construction, dry commissioning, and hydraulic testing for readiness to receive ore, is approximately twelve months from award of contract.

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. However, the Company is continuing to make progress in obtaining the required funding. Since finalizing documentation relating to the DRC Mining Review negotiations in January 2009, work has recommenced on updating the previously completed consultant's technical due diligence report for the banks. When completed, this report will form the basis for financiers to seek credit approval for the debt facility. It is anticipated that this process will take approximately two to three months before credit approval is sought.

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 and as a result, the Company may be required to raise additional equity or sell its available-for-sale investments.

In addition to its working capital requirements, the Company currently has capital commitments of approximately $25 million over the remainder of the year that relate to the SX-EW processing plant development, with a further $200 million required to complete the construction and commissioning of this plant, based on current estimates.

As at March 17, 2009, Anvil had approximately $25 million in cash, $24 million in available-for-sale investments and $7 million of receivables that it expects to realize during April and May of 2009. The Board of Directors has authorized management to explore opportunities to liquidate the available-for-sale investments. The Company currently has only $700,000 of long-term debt.

Key points for the quarter[1]

- Financial results for the fourth quarter 2008 were impacted by one-time charges totalling $143.0 million as follows:
  - Provision for impairment of assets at the Company's DRC mining operations of $73.2 million;
  - A write down of $28.8 million in the value of exploration carried in the balance sheet;
  - Provision of $23.7 million for impairment of available-for-sale investments;
  - Provision for doubtful debts of $7.8 million;
  - An impairment of $0.7 million in connection with the write-down of the value of the Company's investment in Sub Sahara Resources NL; and

[1] Comparisons with the three months and year ended December 31, 2007 are significantly affected by the fact that the Kinsevere mine did not commence production until late June 2007.

- Severance payments and demobilization costs of $8.8 million incurred as a result of the suspension of construction works at Kinsevere Stage II and placing operations on care and maintenance.

- Net copper sales of $13.9 million, a decrease of 83% compared to the fourth quarter of 2007.
- Net loss of $151.2 million (-$2.12 per share), compared to net income of $21.7 million ($0.31 per share) in the fourth quarter of 2007.
- Negative cash flow from operating activities, before working capital movements, of $26.1 million (-$0.37 per share), compared to positive cash flow of $46.7 million ($0.66 per share) in the fourth quarter of 2007.
- Quarterly production of 7,488 tonnes of copper and 174,463 ounces of silver produced in concentrate, a decrease of 56% and 76% respectively compared to the fourth quarter of 2007.
- Kinsevere Stage II SX-EW development placed on hold until adequate funding is secured.
- Mining operations and operation of the HMS plant at Kinsevere suspended during the fourth quarter.
- Suspension of concentrate production, postponement of underground development work and initiation of a care and maintenance program at its Dikulushi mine in December 2008.
- Cessation of HMS processing operations at the Mutoshi mine.

Key points for the year[1]

- Production of 41,354 tonnes of copper, a decrease of 13% compared to 2007.
- Net sales of $191.2 million, a decrease of 27% compared to 2007.
- Operating profit before severance and demobilization costs of $5.8 million, a decrease of 96% compared to 2007.
- Net loss of $138.5 million (-$1.95 per share), a decrease of 218% compared to 2007.
- Operating cash flow before working capital movements of $33.8 million ($0.47 per share).
- Total one-off charges of $151.0 million, comprised of assets ($73.2 million), exploration ($31.3 million), available-for-sale investments ($26.3 million), severance payments and demobilization costs ($8.8 million), trade receivables ($7.8 million) and equity accounted investments ($3.6 million).

Near term objectives (next six months)

- Finalization of debt funding for the Kinsevere Stage II SX-EW development and recommencement of construction works.
- Implementation of further measures to reduce operating costs and improve cash flow.

[1] Comparisons with the three months and year ended December 31, 2007 are significantly affected by the fact that the Kinsevere mine did not commence production until late June 2007.

- Reaching agreement with Gécamines regarding the Company’s Mutoshi mineral properties.
- Completion of a further updated Mineral Resource and Reserve for Kinsevere.

Longer term objectives (2009 onwards)

- Completion of construction and commissioning of the Kinsevere Stage II SX-EW plant.
- Completion of a pre-feasibility study for the Mutoshi Stage II SX-EW project.
- Completion of preliminary studies on the mining and processing of the sulphide resource at Kinsevere.

Status of Kinsevere Stage II

As at February 17, 2009, approximately $180 million of the budgeted cost of $380 million had been spent or committed on the Kinsevere Stage II development. The current status of the project is as follows:

- Engineering design work is almost 80% complete;
- Civils construction is approximately 90% complete;
- Concrete works are 70% complete;
- Construction of key infrastructure including camps, roads, offices, power and water facilities is 90% complete;
- Construction of stainless steel tankage units is 30% complete;
- Earthworks for the process and event ponds is 40% complete;
- Construction of the Tailings Storage Facility is 65% complete; and
- Procurement of major capital items is 80% complete, including the ball mill, crusher, apron feeder, tailings dam liner and half of the electrowinning cells, all of which are on site. The cathode stripping machine, pin bed clarifiers, transformers and rectiformers and half of the cathode plates and anodes are ready for transit to site.

All completed construction works, including erected tankage units and the electrowinning cells have been checked, braced and made safe as required and all contractor staff have been demobilized from site. Anvil has retained appropriate staff to supervise off loading and secure storage of capital equipment as it continues to arrive at site.

The Company is well positioned to readily recommence development of Kinsevere Stage II when funding is available. Key tasks include completion of engineering design and procurement of remaining capital equipment. The remaining engineering design work, relating mainly to electrical, piping and instrumentation is expected to take two to three months to complete. The delivery of outstanding capital equipment is expected to be completed within six months of recommencement. The Company anticipates that award of the contract(s) for completion of Stage II would take two to three months to finalize.

Reminder – Fourth Quarter Financial Results Conference Call

A conference call will be held at 8:30 a.m. (North America, Toronto time) on Friday March 17, 2009 coinciding with 9:30 p.m. (AWST – Australia, Perth time) on the same day, to discuss the results announced in this News Release. Please note that the dial-in telephone numbers have changed and the details to access the conference call and the live audio webcast are as follows:

Conference call:

(Please call approximately five minutes prior to the scheduled start of the call).

- Toll-free within North America: 1-800-732-9307
- For local and overseas calling: 1-416-644-3426

Live audio webcast of the conference call (listen mode only**):**

- **CNW Group** website at:
  http://www.newswire.ca/en/webcast/viewEvent.cgi?eventID=2552880 (English)
  http://www.cnw.ca/fr/webcast/viewEvent.cgi?eventID=2552880 (French)

Replay Information (available for a period of 7 days):

- The conference call will be recorded and a playback of the call will be available after the event by dialling 1-877-289-8525 or 1-416-640-1917, **Reservation number 21298101 followed by the pound (#) key.**

Anvil Mining Limited is an unhedged copper and silver producer whose shares are listed for trading on the Toronto Stock Exchange (as common shares) and the Australian Securities Exchange (as CDIs) under the symbol AVM. It has majority interests in the Dikulushi copper-silver mine, the Kinsevere copper mine and the Mutoshi Stage I copper tailings operation in the Katanga Province of the DRC.

For further information, please contact:

Craig Munro
Senior Vice President Corporate & CFO
Tel: +61 (8) 9481 4700
Email: craigm@anvilmining.com (Perth)

Robert La Vallière
Vice President Corporate Affairs
Tel: (Office) +1 (514) 448 6664
(Cell) +1 (514) 944 9036
Email: robertl@anvilmining.com (Montréal)

Website: www.anvilmining.com

Caution Regarding Forward Looking Statements: *The forward-looking statements made in this news release are based on management's assumptions and judgments regarding future events and results. Such forward-looking statements, including but not limited to those with respect to the possible liquidation of the Company's available-for-sale investments, the Company's plans for the refurbishing and recommissioning of the first of the Kinsevere EAFs and the subsequent expansion of the Kinsevere copper mine involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements 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 the* *available-for-sale investments, actual market price of copper, changes in project parameters as plans continue to be evaluated, and the possibility of capital and operating cost overruns, as well as those factors disclosed in the Company's filed documents. There can be no assurance that the recommissioning of the Kinsevere EAF 1 at Kinsevere will proceed as planned or be successfully completed within expected time limits and budgets or will operate as anticipated or that funding to provide for the recommencement of construction of Kinsevere Stage II will be available.*

Appendix

Key Financial and Production Data (unaudited)

	3 months ended December 31		Year-Ended December 31	
	2008	**2007**	**2008**	**2007**
Revenues: ($ millions)	13.9	79.3	191.2	263.2
Operating (loss) / profit : ($ millions)	(50.1)	44.2	(3.0)	160.3
One-off charges	(143.0)	(11.9)	(151.0)	(13.8)
Net (loss)/ Income: ($ millions)	(151.2)	21.7	(138.5)	117.2
Realized price: ($)				
Copper per pound[1]	0.98	3.06	2.85	3.17
Silver per ounce	6.76	14.67	14.39	13.15
PRODUCTION STATISTICS:				
Consolidated Group				
Copper produced in concentrates (tonnes)	7,488	16,878	41,354	47,633
Silver produced in concentrates (ounces)	174,463	717,402	1,095,801	2,451,269
Per Mine				
Kinsevere mine				
Ore mined (tonnes)	404,636	386,717	2,653,103	918,545
Ore processed (tonnes)[2]	59,219	92,155	350,027	173,161
Copper grade (%)	9.9	10.3	9.5	10.5
Contained copper in ore (tonnes)	5,849	9,448	33,159	18,153
Recovery (%)	76.2	67.6	69.0	71.6
Copper produced in concentrates (tonnes)	4,457	6,384	22,858	13,006
Copper produced in Blister (tonnes)	659	-	820	-
Costs of production ($)				
Operating cash costs per tonne (ex mine gate)	461	262	311	312
Dikulushi mine				
Ore mined (tonnes)	19,776	10,530	101,064	19,945
Ore processed (tonnes)[3]	117,577	92,121	463,094	353,437
Feed grade (% Cu)	2.3	8.1	3.1	7.6
Contained Copper in Ore (tonnes)	2,689	7,507	14,326	27,045
Recovery (%)	64.8	92.5	77.1	90.8
Copper produced in concentrates (tonnes)	1,743	6,943	11,047	24,561
Silver produced in concentrates (ounces)	174,463	717,402	1,095,801	2,451,269
Operating cash cost (ex mine gate) (after silver credits) ($/lb)	4.04	0.14	1.13	0.14
Total cash costs from operations ($/lb)	4.72	0.58	1.67	0.58

1. *Includes provisional and final pricing adjustments and treatment and refining charges.*
2. *The Kinsevere mine commenced production in June 2007 as an HMS processing operation.*
3. *Ore processed at Dikulushi relates to ore processed through the ball mill and flotation plant.*

Key Financial and Production Data (cont.)

PRODUCTION STATISTICS:	3 months ended December 31 2008	3 months ended December 31 2007	Year ended December 31 2008	Year ended December 31 2007
Mutoshi mine				
Ore mined (tonnes)	-	184,466	428,361	491,239
Ore processed (tonnes)[4]	89,296	98,054	462,495	340,628
Copper grade (%)	3.6	5.0	3.9	5.2
Contained copper in ore (tonnes)	3,243	4,918	17,867	17,650
Recovery (%)	39.7	72.2	41.7	57.0
Copper produced in concentrates (tonnes)	1,288	3,551	7,448	10,066
Costs of production: ($)				
Operating cash costs per tonne (ex mine gate)	1,606	669	1,043	581

4. *Ore processed at Mutoshi and Kinsevere relates to ore processed through the HMS plants.*

anvilmining

Consolidated Balance Sheets

	December 31 2008 $	December 31 2007 $
ASSETS		
Current assets		
Cash and cash equivalents	45,033	215,754
Restricted cash	871	322
Accounts receivable	24,243	65,761
Inventories	31,064	32,221
Available-for-sale investments	24,032	63,800
Prepaid expenses and deposits	51,258	21,449
	176,501	**399,307**
Equity accounted investment	1,320	5,766
Long-term inventory	10,651	-
Long-term receivable	12,464	3,966
Exploration and acquisition expenditure	51,352	49,680
Property, plant and equipment	280,334	228,052
Future income tax asset	-	1,884
	532,622	**688,655**
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	34,731	25,044
Income taxes payable	463	5,116
Other liabilities	2,460	1,296
Current portion of long-term debt	362	-
	38,016	**31,456**
Future income tax liability	24,431	39,587
Long-term debt	321	-
Asset retirement obligations	12,980	11,668
	75,748	**82,711**
Non-controlling interest	1,909	13,880
	77,657	96,591
Shareholders' equity		
Equity accounts	383,419	382,108
Retained earnings	70,987	209,524
Accumulated other comprehensive income	559	432
Total shareholders' equity	**454,965**	**592,064**
	532,622	**688,655**

Consolidated Statements of Income and Comprehensive Income

	3 Months Ended December 31		Year Ended December 31	
	2008	2007	2008	2007
	$	$	$	$
Concentrate sales	13,864	79,302	191,240	263,234
Operating expenses	(51,519)	(26,410)	(150,876)	(85,785)
Amortization	(12,431)	(8,634)	(43,400)	(17,163)
	(50,086)	44,258	(3,036)	160,286
Other income	1,345	4,408	8,173	11,852
Share of loss in associates	-	-	(891)	-
Provision for impairment of assets	(97,625)	(8,600)	(103,142)	(9,367)
General, administrative and marketing	(4,614)	(5,876)	(22,748)	(14,841)
Exploration expenditure written off	(28,790)	(3,326)	(31,290)	(4,389)
Foreign exchange gains	239	(45)	140	95
Stock based compensation	(798)	(661)	(2,582)	(2,484)
Interest and financing fees	(307)	(1,097)	(1,379)	(2,242)
(Loss)/ Earnings before income tax and non-controlling interest	(180,636)	29,061	(156,755)	138,910
Income tax recovery / (expense)	23,135	(4,773)	12,857	(8,537)
Non-controlling interest share of loss / (gain)	6,345	(2,628)	5,361	(13,209)
Net (loss) / income	**(151,156)**	**21,660**	**(138,537)**	**117,164**
Other comprehensive income, net of taxes				
Net unrealized gains / (losses) on available-for-sale investments	5,854	230	127	(254)
Total comprehensive (loss) / income	**(145,302)**	**21,890**	**(138,410)**	**116,910**
Basic (loss) / earnings per share ($)	(2.12)	0.31	(1.95)	1.81
Diluted (loss) / earnings per share ($)	(2.12)	0.30	(1.95)	1.77

Consolidated Statement of Cash Flows

	3 Months Ended December 31 2008	2007	Year Ended December 31 2008	2007
	$	$	$	$
Cash flows from operating activities				
Net (loss) / income for the period	(151,156)	21,660	(138,537)	117,164
Items not affecting cash:				
- Amortization	12,431	8,634	43,400	17,163
- Provision for impairment of assets	97,625	8,600	103,142	9,367
- Accretion expense	233	-	1,312	-
- Provision for doubtful debts	7,775	-	7,775	-
- Exploration expenditure written off	28,790	3,326	31,290	4,389
- Share of loss in associates	-	-	891	-
- Loss on sale of assets	-	-	278	-
- Non-controlling interest share of income / (loss)	(6,345)	2,628	(5,361)	13,209
- Borrowing costs – amortized	-	201	-	715
- Unrealized foreign exchange gains/(losses)	1,240	(531)	298	(169)
- Future income tax	(17,460)	1,987	(13,271)	1,935
- Stock based compensation	798	661	2,582	2,484
Changes in non-cash working capital	5,098	(9,230)	8,709	(42,932)
	(20,970)	**37,936**	**42,508**	**123,325**
Cash flows from investing activities				
Payments for property, plant and equipment	(48,692)	(27,767)	(186,156)	(91,961)
Proceeds from sale of assets	10	-	475	11
Payments for exploration expenditure	(9,325)	(5,223)	(33,271)	(20,377)
Payment for additional interest in AMCK Mining s.p.r.l	-	-	-	(36,000)
Investment in Sub-Sahara Resources NL	-	-	-	(6,090)
Proceeds of principal repayments from investments	489	1,467	13,399	22,996
	(57,518)	**(31,523)**	**(205,553)**	**(131,421)**
Cash flows from financing activities				
Proceeds from issue of shares (net of issue expenses)	-	3,995	711	183,666
Payment for borrowings fees	-	-	-	(115)
Movement in restricted cash	(550)	(232)	(550)	(103)
Proceeds from borrowings (net of fees incurred)	-	-	800	-
Shares purchased under ESSIP	(1,982)	-	(1,982)	-
Repayments of borrowings	-	(6,000)	(117)	(12,000)
Disbursements on behalf of Dikulushi Trusts	(1,063)	(3,847)	(6,610)	(7,620)
	(2,402)	**(6,084)**	**(7,748)**	**163,828**
Net decrease in cash and cash equivalents	**(80,890)**	**329**	**(170,793)**	**155,732**
Cash and cash equivalents at beginning of the period	125,485	214,886	215,754	59,302
Effects of exchange rate changes on cash held in foreign currencies	438	220	72	720
Cash and cash equivalents at end of the period	**45,033**	**215,754**	**45,033**	**215,754**