



anvil mining

ANVIL MINING LIMITED

NOTICE OF 2008 ANNUAL AND SPECIAL MEETING
OF SHAREHOLDERS OF
ANVIL MINING LIMITED
TO BE HELD ON MAY 12, 2008

MANAGEMENT INFORMATION CIRCULAR

NOTICE OF ANNUAL AND SPECIAL MEETING

TO THE HOLDERS OF COMMON SHARES OF ANVIL MINING LIMITED:

The Annual and Special Meeting (the “Meeting”) of Anvil Mining Limited (the “Corporation”) will be held at the TSX Broadcast Centre, The Exchange Tower, 130 King Street West, Toronto, Ontario on Monday, May 12, 2008 at 4:00 p.m., local time, for the following purposes:

1. To place before the Meeting the consolidated financial statements of the Corporation for the financial year ended December 31, 2007, and the auditors’ report thereon.
2. To elect the directors for the ensuing year.
3. To appoint auditors for the ensuing year.
4. To consider and, if thought fit, to approve a resolution approving an increase in the pool of funds for non-employee directors’ fees, in accordance with Listing Rule 10.17 of the Australian Securities Exchange Limited (the “ASX”).
5. To consider and, if thought fit, to approve a resolution to approve and authorize the unallocated entitlements under the Corporation’s stock option plan be until May 12, 2011.
6. To consider and, if thought fit, to approve a resolution to approve and authorize amendments to the Corporation’s stock option plan and to approve and authorize the unallocated entitlements under the stock option plan, as amended, until May 12, 2011.
7. To transact such other business as may properly come before the Meeting.

The resolutions to be considered as described in paragraphs 4 and 5, above, are set out in the Information Circular accompanying this Notice. See “Particulars of Matters to Be Acted Upon”.

The directors have fixed the close of business on Friday, April 11, 2008 as the record date for determining Shareholders who are entitled to attend and vote at the Meeting.

The consolidated financial statements for the financial year ended December 31, 2007 and the auditors’ report thereon are enclosed with this Notice.

Shareholders are invited to attend the meeting. If you cannot attend the Meeting in person, you are encouraged to date, sign and deliver the accompanying proxy and return it in the enclosed envelope to the Corporation, c/o Computershare Investor Services Inc., Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 prior to 4:00 p.m. Toronto time on Thursday, May 8, 2008.

Holders of Chess Depository Interests (“CDIs”) are invited to attend the meeting. CDI holders must complete, sign and return the enclosed CDI Voting Instruction Form to Computershare Investor Services Pty Limited, GPO Box D, Perth, Western Australia, 6840 Australia so that each CDI holder may elect to direct the depository entity, CHESSE Depository Nominees Pty Ltd (the “Depository Nominee”) to vote the relevant underlying common shares of the Corporation (“Common Shares”) on his or her behalf or instruct Depository Nominee to appoint such CDI holder or his or her nominee as proxy to vote the Common Shares underlying the CDIs in person at the meeting. In either case, the CDI Voting Form must be received by Computershare Investor Services Pty Limited, GPO Box D, Perth, Western Australia, 6840 Australia not later than 5:00 pm (Perth/Western standard time) on May 8, 2008.

A handwritten signature in black ink, appearing to read 'Stuart McKenzie', with a long horizontal flourish extending to the right.

DATED at Osborne Park, Western Australia, on April 10, 2008.

By order of the Board
Stuart McKenzie
Corporate Secretary

MANAGEMENT INFORMATION CIRCULAR

April 10, 2008

SOLICITATION OF PROXIES

This Management Information Circular is furnished in connection with the solicitation of proxies by the management of **ANVIL MINING LIMITED** (the "Corporation") for use at the Annual and Special Meeting of the Corporation (the "Meeting") to be held on Monday, May 12, 2008, and any adjournments thereof, at the time and place and for the purposes set forth in the accompanying Notice of Annual and Special Meeting. The cost of solicitation of proxies will be borne by the Corporation.

STATEMENT REGARDING NON-OBJECTING BENEFICIAL SHAREHOLDERS

These security holder materials are being sent to both registered and non-registered owners of the securities. If you are a non-registered owner, and the issuer or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding on your behalf.

VOTING BY PROXIES

This section headed "Voting by Proxies" only applies to registered holders (a "Shareholder") of common shares of the Corporation ("Common Shares"). Holders of CHESSE Depositary Interests ("CDIs") should refer to the section of this Information Circular headed "CDI Holders May Give Direction to Depositary Nominee".

The form of proxy accompanying this Management Information Circular confers discretionary authority upon each proxy nominee with respect to any amendments or variations to the matters identified in the Notice of Annual and Special Meeting and any other matters which may properly come before the Meeting. On any ballot, the Common Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions of the Shareholder as specified in the proxy with respect to any matter to be acted on. **If a choice is not specified with respect to any matter, the Common Shares represented by a proxy given to management are intended to be voted for the nominees of management for Directors and Auditors and in favour of each of the resolutions specified in the notice of the meeting. A Shareholder has the right to appoint a person (who need not be a Shareholder) to attend and act for the Shareholder and on the Shareholder's behalf at the Meeting other than the persons designated in the form of proxy and may exercise such right by inserting the name in full of the desired person in the blank space provided in the form of proxy.** Proxies must be delivered to the Corporation c/o Computershare Investor Services Inc., Proxy Department, 9th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 prior to 4:00 p.m. Toronto time on Thursday, May 8, 2008. A self-addressed envelope is enclosed. Proxy form may also be returned by facsimile on facsimile numbers +1 (866) 249-7775 or +1 (416) 263-9524.

Management of the Corporation are not aware of any amendments to the matters to be presented for action at the Meeting or of any other matters to be presented for action at the Meeting.

ADVICE TO BENEFICIAL HOLDERS OF SHARES

The information set forth in this section is of significant importance to persons who beneficially own Common Shares, as a substantial number of such persons do not hold Common Shares in their own name. Persons who hold Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold such securities in their own name (referred to in this section as “Beneficial Holders”) should note that only proxies deposited by persons whose names appear on the records of the Corporation may be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Holder by a broker, then in almost all cases those Common Shares will not be registered in the Beneficial Holder’s name on the records of the Corporation. Such Common Shares will more likely be registered under the name of the broker or an agent of that broker. In Canada, the vast majority of shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers, agents or nominees can only be voted (for or against resolutions) upon the written instructions of the Beneficial Holder. Without specific instructions, brokers, agents and nominees are prohibited from voting securities for their clients. **Therefore, Beneficial Holders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person by the appropriate time.**

Applicable regulatory policy requires intermediaries/brokers to seek voting instructions from Beneficial Holders in advance of Shareholders’ meetings. Each intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Holders to ensure that their Common Shares are voted at the Meeting. The purpose of the form of proxy or voting instruction form supplied to a Beneficial Holder by its broker, agent or nominee is limited to instructing the registered Shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Holder. The majority of brokers now delegate responsibility for obtaining instructions from clients to the Independent Investor Communications Corporation (“IICC”). The IICC typically supplies a voting instruction form, mails those forms to the Beneficial Holders and asks Beneficial Holders to return the forms to IICC or follow specified telephone voting procedures. IICC then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of Common Shares to be represented at the appropriate Meeting. **A Beneficial Holder receiving a voting instruction form from IICC cannot use that form to vote Common Shares directly at the Meeting - the voting instruction forms must be returned to IICC or the telephone procedures completed well in advance of the Meeting in order to have such shares voted.**

Although Beneficial Holders may not be recognized directly at the Meeting for the purpose of voting shares registered in the name of their broker, agent or nominee, a Beneficial Holder may attend at the Meeting as proxyholder for the Shareholder and vote the Common Shares, as the case may be, in that capacity. Beneficial Holders who wish to attend at the Meeting and indirectly vote their Common Shares, as the case may be, as proxy-holder for the registered Shareholder, should enter their own names in the blank space on the form of proxy or voting instruction form provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

REVOCABILITY OF PROXIES

A Shareholder executing and delivering a proxy has the power to revoke it in accordance with the provisions of section 150(4) of the Northwest Territories *Business Corporations Act*, which provides that every proxy may be revoked by an instrument in writing executed by the Shareholder or by his or her attorney authorized in writing and delivered either to the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof at which the proxy is to be used, or to the chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

A proxy is valid only in respect of the Meeting.

CDI HOLDERS

Many Shareholders having an interest in the Common Shares hold such interests in the form of CDIs. CHES is the electronic settlement system used in Australia. The main difference between holding CDIs and holding shares is that a holder of CDIs has beneficial ownership of the equivalent number of shares calculated in the ratio of one CDI for each Common Share of the Corporation instead of legal title. Legal title is held by the depository entity, CHES Depository Nominees Pty Ltd. (the "Depository Nominee"). The shares registered in the name of the Depository Nominee are held by that entity on behalf of and for the benefit of the CDI holders.

Pursuant to paragraph 8.14 of By-law No.1 of the Corporation, the Corporation will permit CDI holders to attend the Meeting.

CDI HOLDERS MAY GIVE DIRECTIONS TO DEPOSITARY NOMINEE

Pursuant to paragraph 8.10 of By-law No.1 of the Corporation, each CDI holder has the right to:

- (1) direct the Depository Nominee how to vote in respect of their CDIs on the resolutions described in the Notice of Meeting; or
- (2) instruct the Depository Nominee to appoint the CDI holder or a person nominated by the holder as the holder's proxy for the purposes of attending and voting at the Meeting on the resolutions described in the Notice of Meeting.

The Depository Nominee must vote in accordance with any direction given by a CDI holder.

If you are a CDI holder and you wish to direct the Depository Nominee how to vote in respect of your CDIs or appoint yourself or a nominee as your proxy, you should read, complete, date and sign the accompanying Notice of Direction and deposit it with Computershare Investor Services Pty Limited, GPO Box D, Perth, Western Australia, 6840 Australia not later than 5:00 pm (Perth/Western standard time) the close of business on May 8, 2008.

The Depository Nominee shall exercise its right to vote at the Meeting by proxy.

Where the proxy is required to vote on multiple resolutions, the Depository Nominee must instruct the proxy holder to vote in such manner as will, in the reasonable opinion of the Depository Nominee, best represent the wishes of the majority of CDI holders.

PERSONS MAKING THE SOLICITATION

This solicitation of proxies is made by management of the Corporation. The cost of the solicitation has been and will be borne by the Corporation.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares, of which 71,141,910 Common Shares are issued and outstanding as of April 10, 2008.

The Common Shares are entitled to be voted at the Meeting. On a ballot, each Common Share is entitled to one vote. A simple majority of votes cast are required to approve all matters to be submitted to a vote of Shareholders at the Meeting, subject to certain exclusions of votes as contemplated below.

The record date for determination of the Shareholders entitled to attend and vote at the Meeting is April 11, 2008.

FINANCIAL STATEMENTS

The audited financial statements of the Corporation for the year ended December 31, 2007 and the report of the auditors thereon will be placed before the Meeting for consideration of the Shareholders.

ELECTION OF DIRECTORS

The board of directors of the Corporation (the “Board”) has set the number of directors of the Corporation at five. Each of the persons whose name appears hereunder is proposed by management to be nominated for election as a director of the Corporation to serve until the next annual meeting of the Shareholders of the Corporation or until he sooner ceases to hold office. It is intended that the Common Shares represented by proxies solicited by management will be voted in favour of the election of such persons as directors of the Corporation if no choice in respect of such election is specified in the proxy. The following information concerning respective nominees has been furnished by them:

<u>Name and Residence</u>	<u>Director Since</u>	<u>Principal Occupation</u>	<u>Common Shares beneficially owned directly or indirectly</u>
William S. Turner, Perth, Western Australia, Australia	January 8, 2004 (Director of Anvil Mining NL since September 23, 1996)	President and CEO of the Corporation (January 8, 2004 – present); Managing Director, Anvil Mining NL (July 2003 – January 8, 2004); General Manager, Anvil Mining NL (July 1995 – July 2003)	824,661
Peter J.L. Bradford, ^{1,2,3} New South Wales, Australia	January 8, 2004 (Director of Anvil Mining NL since September 11, 1998)	Corporate Director (February 2008 – Present) President and CEO, Golden Star Resources Ltd (October 1999 – December 2007); Director Golden Star Resources Ltd (October 1999 – January 2008).	208,348
Thomas C. Dawson ^{1,2,3} Toronto, Ontario, Canada	May 27, 2005	Corporate Director (2000 – Present)	18,000
John W. Sabine, ^{1,2,3} Oakville, Ontario, Canada	February 29, 2004	Partner, Fraser Milner Casgrain LLP (November 2001 – Present).	17,500
Ambassador (ret.) Kenneth L. Brown Washington DC, United States of America	November 9, 2006	Non-profit administrator, (2001-present); College administrator and professor, (1995- 2001); U.S. Foreign Service Officer, United States government (1961-1995)	4,000

Notes:

- (1) The Corporation is required to have an Audit Committee. The members of this committee are Messrs. Dawson, Bradford and Brown.
- (2) The directors have established a Nomination, Compensation and Corporate Governance Committee. The members of this committee are Messrs. Bradford, Dawson, and Sabine.
- (3) In February 2008, the directors established a Corporate Responsibility and Sustainability Committee. The members of this committee are Messrs. Brown, Turner and Bradford.
- (4) The term of office of each director of the Corporation expires at each annual meeting of the Shareholders of the Corporation. Officers of the Corporation are appointed by the Board.

APPOINTMENT OF AUDITORS

Management proposes to nominate PricewaterhouseCoopers LLP as auditors of the Corporation to hold office until the next Annual Meeting of the Shareholders of the Corporation. PricewaterhouseCoopers LLP was first appointed to such office in February 2004.

STATEMENT OF EXECUTIVE COMPENSATION

Summary Compensation Table

The following executive compensation disclosure is provided in respect of the Corporation's President and Chief Executive Officer, Senior Vice President Strategy and Business Development, Senior Vice President Corporate and Chief Financial Officer, Senior Vice President Operations DRC and Vice President Engineering (the "Named Executive Officers" or "NEOs") for the Corporation's three most recently completed financial years.

Name of NEO and Principal Position (a)	Year (b)	Annual Compensation		Long Term Compensation	
		Salary (US\$) (c)	Bonus (US\$) (d)	Awards Securities Under Options/SARs Granted (#) (f)	Payouts All Other Compensation (US\$) (i)
William S. Turner (President and Chief Executive Officer)	Dec 2007	500,000	237,500	527,943	2,375
	Dec 2006	325,000	200,000	270,000	7,651
	Dec 2005	236,960	50,565	Nil	14,019
Michael T. O'Sullivan ⁽¹⁾ (Senior Vice President Strategy and Business Development)	Dec 2007	295,000	107,500	136,783	683
	Dec 2006	249,000	100,000	35,000	Nil
	Dec 2005	199,027	28,900	100,000	Nil
Malcolm J. Hillbeck ⁽²⁾ (Senior Vice President Operations, DRC)	Dec 2007	325,000	202,000		3,482
	Dec 2006	249,000	35,000	25,000	738
	Dec 2005	76,000	Nil	50,000	1,702
Craig R. Munro ⁽³⁾ (Senior Vice President Corporate and Chief Financial Officer)	Dec 2007	250,000	82,500	10,037	6,052
	Dec 2006	220,000	80,000	128,000	5,059
	Dec 2005	178,433	Nil	100,000	2,657
Mike A. Newman ⁽⁴⁾ (Vice President Engineering)	Dec 2007	270,000	Nil	40,000	Nil
	Dec 2006				
	Dec 2005				

Notes:

- (1) Mr. O'Sullivan was appointed to the position of Senior Vice President Strategy and Business Development on October 1, 2007.
- (2) Mr. Hillbeck's employment as Vice President Operations commenced on August 1, 2005. On January 15 2007, Mr. Hillbeck was appointed to the position of Vice President Operations and Chief Operating Officer and on October 1, 2007 Mr. Hillbeck was appointed to the position of Senior Vice President Operations, DRC.
- (3) Mr. Munro was appointed to the position of Senior Vice President Corporate and Chief Financial Officer on October 1, 2007.
- (4) Mr. Newman's employment as Vice President Engineering commenced on January 22, 2007. On October 1, 2007 Mr. Newman was appointed to the position of Vice President Engineering. Mr. Newman ceased employment with the Corporation on January 31, 2008.

Option Grants During the Most Recently Completed Financial Year

The following table discloses individual grants of options to purchase or acquire securities of the Corporation made during the most recently completed financial year to each Named Executive Officer.

Name (a)	Securities Under Options Granted (#) (b)	Percent of Total Options Granted to Employees in Financial Year (c)	Exercise or Base Price (C\$/Security) (d)	Market Value of Securities Underlying Options on the Date of Grant (C\$/Security) (e)	Expiration Date (f)
William S. Turner	500,000 27,943	61.88 3.46	9.41 14.06	9.41 14.06	August 26, 2012 March 6, 2013
Craig R. Munro	10,037	1.24	14.06	14.06	March 6, 2013
Michael T. O'Sullivan	125,000 11,783	15.47 1.46	10.13 14.06	10.13 14.06	January 10, 2013 March 6, 2013
Mike Newman	40,000	4.95	11.84	11.84	January 22, 2013
Malcolm J. Hillbeck	Nil	N/A	N/A	N/A	N/A

Aggregated Options Exercised During Most Recently Completed Financial Year

The following table discloses all options exercised during the most recently completed financial year by each Named Executive Officer and the financial year-end value of unexercised options on an aggregated basis.

Named Executive Officer (a)	Securities Acquired on Exercise (#) (b)	Aggregate Value Realized (C\$) (c)	Unexercised Options at FY-End (#) Exercisable/Unexercisable (d)	Value of Unexercised in the Money Options at FY-End (\$) Exercisable/Unexercisable (e)
William S. Turner	NIL	NIL	156,666/641,277	C\$1,716,193/C\$4,092,379
Michael T. O'Sullivan	275,000	298,586	153,332/193,451	C\$1,678,587/C\$1,173,617
Craig R. Munro	115,999	563,942	NIL/162,038	NIL/C\$1,128,881
Malcolm J. Hillbeck	24,999	136,495	Nil/33,335	Nil/C\$312,684
Mike Newman	NIL	NIL	NIL/40,000	

Employment Contracts

The Corporation has entered into an employment agreement with each of William S. Turner, Michael T. O’Sullivan, Craig R. Munro and Malcolm J. Hillbeck. The employment agreements provide for current salary and benefit entitlements. Each of the employment agreements is for an indefinite term and each provides for a base salary and discretionary bonus. Mr. Turner, Mr. O’Sullivan, Mr. Munro and Mr. Hillbeck are also provided with life insurance and salary continuance cover. Where a NEO is terminated for cause, no employment agreement provides for any termination payments. Where a NEO is terminated for a reason other than cause, there is provision within the employment agreement for a termination payment equivalent to 12 months to 24 months remuneration depending upon the position held by the NEO. Where there is a Substantial Alteration to an Essential Term (as defined within the employment agreement) of the employment agreement of a NEO, there is provision within the employment agreement for a termination payment equivalent to 18 months to 30 months remuneration depending upon the position held by the NEO.

Directors’ and Officers’ Liability Insurance

The Corporation maintains a Directors’ and Officers’ Liability insurance policy. The aggregate amount of premiums paid by the Corporation in respect of directors and officers as a group in the financial year ended December 31, 2007 was \$142,250. The total amount of insurance purchased for all directors and officers as a group was \$30,000,000 per loss and \$30,000,000 annual aggregate. The deductible for non-securities claims made against individual directors and officers was \$85,000. The deductible for securities claims made against individual directors and officers was \$250,000.

Composition of the Nomination, Compensation and Corporate Governance Committee

The Nomination, Compensation and Corporate Governance Committee, on behalf of the Board, has been delegated the responsibility for all matters relating to compensation of executive officers of the Corporation. Each of Peter Bradford, John Sabine and Thomas Dawson, who are all independent directors of the Corporation, were members of the Nomination, Compensation and Corporate Governance Committee during the most recently completed financial year. The Nomination, Compensation and Corporate Governance Committee periodically reviews the compensation paid to directors and management based on such factors as time commitment, comparative fees paid by similar companies in the industry and the level of responsibility.

Report on Executive Compensation

This report on executive compensation has been prepared by the Nomination, Compensation and Corporate Governance Committee. The committee is responsible for making recommendations to the Board with respect to the compensation of the executive officers of the Corporation as well as with respect to the Corporation’s stock option plan and assumes responsibility for reviewing and monitoring the long-range compensation strategy for the senior management of the Corporation.

Philosophy and Objectives

The compensation program for the senior management of the Corporation is designed to ensure that the level and form of compensation achieves certain objectives, including:

- (a) attracting and retaining talented, qualified and effective executives;
- (b) motivating the short and long-term performance of these executives; and
- (c) better aligning the interests of executives with those of the Corporation’s Shareholders.

In compensating its senior management, the Corporation has employed a combination of base salary, bonus payments and equity participation through its stock option plan. The Corporation does not currently offer long-term incentive plans or pension plans to senior officers.

Base Salary

In the committee's view, paying base salaries which are competitive in the markets in which the Corporation operates is a first step to attracting and retaining talented, qualified and effective executives. Competitive salary information on companies earning comparable revenues in a similar industry is compiled from a variety of sources, including surveys conducted by independent consultants and national and international publications.

Equity Participation

The Corporation believes that encouraging its executives and employees to become Shareholders is the best way of aligning their interests with those of its Shareholders. Equity participation is accomplished through the Corporation's stock option plan. Stock options are granted to senior executives taking into account a number of factors, including the amount and term of options previously granted, base salary and bonuses and competitive factors. Options are generally granted to senior executives and vest over a three year period. Given the evolving nature of the Corporation's business, the Board continues to review and redesign the overall compensation plan for senior management so as to continue to address the objectives identified above.

Amendments to the Corporation's stock option plan are proposed to be approved at the 2008 annual general meeting. Please see "Approval of Anvil Mining Limited 2008 Share Incentive Plan".

In January 2008, the Corporation instituted an employee share purchase plan ("ESPP"). All employees of the Corporation (excluding employees who are a party to the union negotiated collective agreement and who are eligible for a production bonus under that agreement), including executives, are eligible to participate in the ESPP. The ESPP provides that an employee may contribute up to 5% of his or her remuneration in each monthly pay period ("contribution rate") to the ESPP for the purchase of Common Shares of the Corporation on a monthly basis. Common Shares are purchased on the ASX or TSX by an Administrative Agent and Trustee on behalf of the ESPP. The Corporation makes a matching contribution to each purchase of Common Shares equal to one-half of the employee's contribution. The Corporation also made a bonus contribution on behalf of each employee who enrolled in the ESPP during the first enrolment period equal to the employee's contribution rate multiplied by the employee's regular annual compensation. The Corporation will make a bonus contribution on behalf of each employee who enrolled in the ESPP after the first enrolment period equal to the employee's contribution rate multiplied by the employee's regular annual compensation, which bonus contribution will be made on the one-year anniversary of the employee's enrolment in the ESPP. Common Shares purchased under the ESPP are subject to a twelve-month hold period from the date of purchase and during the hold period Common Shares may be withdrawn from the ESPP only in the event of death, retirement, permanent layoff, dismissal other than for cause and change of control by takeover. An employee who ceases employment by the Corporation for any other reason will forfeit any Common Shares that are subject to the twelve-month hold period that were purchased with contributions from the Corporation.

Compensation of the Chief Executive Officer

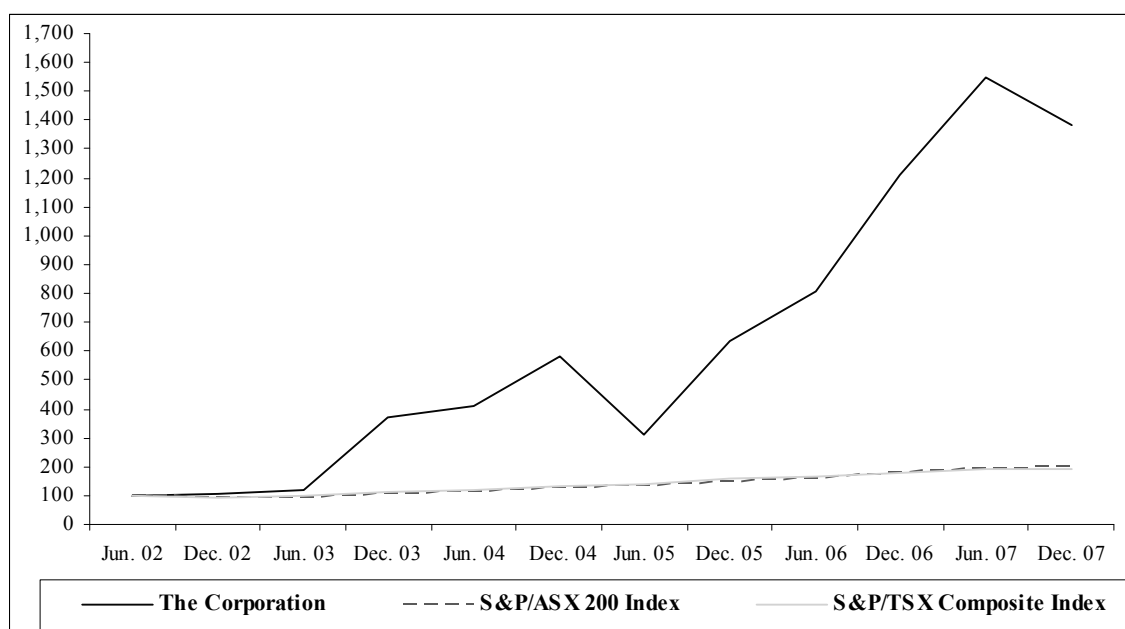
The compensation of the Chief Executive Officer is approved annually by the Board. Base cash compensation levels are based on market survey data. At present the CEO does not have any incentive based salary component in his contract, however, the CEO's contract does provide for a discretionary bonus on the basis of performance of the Corporation.

Performance Graph

The chart below compares, assuming an initial investment of \$100, the yearly percentage change in the cumulative total shareholder return on the Corporation's Common Shares against the cumulative total shareholder return of the S&P/ASX 200 Index and the S&P/TSX Composite Index for the Corporation's five most recently completed financial years.

As the Corporation's Common Shares did not begin trading on the Australian Securities Exchange ("ASX") until June 3, 2004, the historical price information used for the period prior to June 3, 2004 is with respect to the securities of Anvil Mining NL, a wholly owned subsidiary of the Corporation. The Corporation's Common Shares were listed on the Toronto Stock Exchange ("TSX") on June 2, 2004, therefore comparative, historical price information for the S&P/TSX Composite Index is effective as of June 30, 2004.

The Corporation changed its fiscal year-end in 2004 from June 30 to December 31. Therefore, a fiscal year-end of June 30 is used for periods prior to the fiscal year ended December 31, 2004. Also, the historical prices of those securities and the values of the S&P/ASX 200 Index and the S&P/TSX Composite Index reflect information as of the last date prior to the fiscal year-end on which the ASX or the TSX, as applicable, was open for trading.



	June 30, 2003	June 30, 2004	December 31, 2004	December 30, 2005	December 29, 2006	December 28, 2007
The Corporation	118.18	409.09	581.82	636.36	1,213.64	1,385.45
S&P / ASX 200 Index	94.12	109.85	125.95	148.12	176.27	197.13

COMPENSATION OF DIRECTORS

The Corporation has paid an annual retainer of US\$25,000 to each non-employee director and a further annual retainer of US\$10,000 to each of the Chairman of the Board and the Chairman of the Audit Committee, in recognition of the greater responsibilities of those roles. The aggregate maximum amount paid to the non-employee directors for the financial year ended December 31, 2007 was less than US\$125,000. The Corporation proposes to increase the annual retainer paid to non-employee directors, the Chairman of the Board and the Chairman of Board Committees. At the same time, the Board will eliminate the automatic grant of options to purchase Common Shares. See below in this section and “Approval of Pool of Funds for Non-Employee Directors’ Fees” and “Approval of Anvil Mining Limited 2008 Share Incentive Plan”.

Each non-employee director also received compensation in the form of options to purchase Common Shares, pursuant to the Corporation’s stock option plan (the “Plan”). The Plan provides for the automatic grant of options to purchase 50,000 Common Shares to each person who becomes a non-employee director, as of the date such person first becomes a non-employee director, provided that, within the previous year, such person was not granted any other stock options by the Corporation. In addition, under the Plan, subject to regulatory approval, if required, each non-employee director is automatically granted stock options to purchase 25,000 Common Shares as of the date of the first Board meeting after the end of each financial year. The Board may grant additional options to non-employee directors from time to time. All options granted to the non-employee directors under the Plan vest as to one-third at the end of each of the first three years after grant and have a six-year term.

In February 2008, the Corporation was granted a waiver from ASX Listing Rules 10.11 and 10.14 that relate to the requirement to obtain Shareholder approval for the grant of options to a non-employee director.

The Corporation proposes to increase the annual retainer for non-employee directors to US\$72,000, effective from July 1, 2008. The Chairman of the Board will receive an additional US\$48,000 and the Chairman of a Board committee will receive an additional US\$12,000 in recognition of their additional responsibilities. The aggregate maximum amount that may be paid to the non-employee directors for the financial year ended December 31, 2008 and each year thereafter, on the basis of there being four non-employee directors, will be less than or equal to US\$372,000. See “Approval of Pool of Funds for Non-Employee Directors’ Fees”.

The Corporation also proposes to amend the Plan to provide, among other things, that the automatic grants of options to non-employee directors are deleted and that non-employee directors’ annual retainer be paid, at the election of the non-employee director, in cash, in Deferred Share Units or in a combination of cash and Deferred Share Units. Non-employee directors would continue to be eligible to receive grants of options. The Plan is also proposed to be amended to provide for the award of Deferred Share Units, Restricted Share Units and Restricted Shares to eligible participants, which include directors, officers, employees and service providers. See “Approval of Anvil Mining Limited 2008 Share Incentive Plan”.

Each non-employee director is required to purchase Common Shares in an amount equal to double the annual retainer within twenty-four months of becoming a director. A director who elects to receive Deferred Share Units in lieu of the director’s annual retainer, in whole or in part, may include those Units in the total Common Shares required to be held by directors.

Directors are also reimbursed for transportation and other out-of-pocket expenses reasonably incurred for attendance at Board and committee meetings and in connection with the performance of their duties as directors.

There are no other arrangements under which directors were compensated for their services as directors during the 2007 financial year and no other arrangements under which directors were compensated as consultants or experts during the 2007 financial year.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Equity Compensation Plan Information

The following table summarizes relevant information as of December 31, 2007 with respect to compensation plans under which equity securities are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	2,162,879	C\$7.59	4,948,645
Equity compensation plans not approved by security holders	Nil	N/A	Nil
Total	2,162,879	C\$7.59	4,948,645

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Aggregate Indebtedness

The following table sets out the aggregate indebtedness of all executive officers, directors, employees and former executive officers, directors and employees of the Corporation or any of its subsidiaries outstanding as at April 10, 2008 in connection with a purchase of securities and all other indebtedness.

AGGREGATE INDEBTEDNESS (\$)		
Purpose	To the Corporation or its Subsidiaries	To Another Entity
(a)	(b)	(c)
Share Purchases	C\$140,000	NIL
Other ⁽¹⁾	NIL	C\$140,000

(1) The indebtedness relates to a loan to an employee, that is the subject of a loan agreement, for the purposes of funding the exercise of stock options that were issued pursuant to the Corporation's Stock Option Plan but which had a shorter expiry date than stock options typically issued pursuant to the Plan.

Indebtedness of Directors and Officers under Securities Purchase and Other Programs

The following table sets out each individual who is, or at any time during the most recently completed financial year was, a director or executive officer of the Corporation, each proposed nominee for election as a director of the Corporation, and each associate of any such director, executive officer or proposed nominee, and who is, or at any time since the beginning of the most recently completed financial year of the Corporation has been, indebted to the Corporation or any of its subsidiaries or whose indebtedness to another entity is, or at any time since the beginning of the most recently completed financial year has been, the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS UNDER (1) SECURITIES PURCHASE AND (2) OTHER PROGRAMS						
Name and Principal Position	Involvement of Corporation or Subsidiary	Largest Amount Outstanding During Most Recently Completed Financial Year (\$)	Amount Outstanding as at April 5, 2008 (\$)	Financially Assisted Securities Purchases During Most Recently Completed Financial Year (#)	Security for Indebtedness	Amount Forgiven During Most Recently Completed Financial Year (\$)
(a)	(b)	(c)	(d)	(e)	(f)	(g)
Securities Purchase Programs						
Craig Munro (Senior Vice President Corporate and Chief Financial Officer)	Lender	A\$260,000	Nil	40,000	Pledge of Securities	Nil

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

During the most recently completed financial year, there were no material transactions or proposed material transactions that materially affected or will materially affect the Corporation or any of its subsidiaries, in which (i) any informed person of the Corporation, (ii) any proposed director of the Corporation, or (iii) any associate or affiliate of any of the foregoing has any material interest.

PARTICULARS OF MATTERS TO BE ACTED UPON

APPROVAL OF POOL OF FUNDS FOR NON EMPLOYEE DIRECTORS' FEES

The Corporation seeks Shareholder approval of an increase in the pool of funds for non-employee directors' fees. The Shareholders will therefore be asked to consider and if, thought fit, to pass, the following resolution:

1. RESOLVED THAT, *for the purposes of ASX Listing Rule 10.17 and all other purposes, the Shareholders authorize and approve that the total payment to the non-employee directors as directors fees be increased by US\$320,000 from US\$200,000 to US\$520,000.*

<p>The Corporation will disregard any votes cast on this resolution by a director of the Corporation and any associate of a director. However, the Corporation need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.</p>

Currently, each non-employee director receives an annual retainer of US\$25,000 and the Chairman of the Board and the Chairman of the Audit Committee receive a further annual retainer of US\$10,000 each, in recognition of the greater responsibilities of those roles. The Plan also provides for the automatic grant of options to purchase 50,000 Common Shares to each person who becomes a non-employee director, as of the date such person first becomes a non-employee director, and options to purchase 25,000 Common Shares as of the date of the first Board meeting after the end of each financial year. It is proposed to amend the Plan to delete the provisions for the automatic grant of options to non-employee directors. See "Approval of Anvil Mining Limited 2008 Share Incentive Plan", below.

The Corporation proposes to increase the annual retainer for non-employee directors to US\$72,000, effective from July 1, 2008. It is also proposed that the Chairman of the Board will receive an additional US\$48,000 and the Chairman of a Board committee will receive an additional US\$12,000, in recognition of the greater responsibilities of those roles. The aggregate maximum amount that may be paid to the non-employee directors for the financial year ended December 31, 2008 and each year thereafter, on the basis of there being four non-employee directors, will be less than or equal to US\$372,000. The pool of funds for payment of non-employee directors' fees is proposed to be increased from US\$200,000 to US\$520,000 to provide for this proposed increase in annual retainer as well as to provide sufficient funds to provide flexibility to the Corporation to appoint additional non-employee directors. The Articles of the Corporation allow the directors to appoint additional directors between annual general meetings equal to one-third of the number of directors elected at the annual general meeting. As it is proposed to elect five directors at the 2008 annual general meeting, the directors may appoint one additional director and, subject to shareholder approval, additional directors may be appointed during the year.

The Corporation also proposes to amend the Plan to provide, among other things, that the automatic grants of options to non-employee directors are deleted and that non-employee directors' annual retainer be paid, at the election of the non-employee director, in cash, in Deferred Share Units or in a combination of cash and Deferred Share Units. Non-employee directors would continue to be eligible to receive grants of options. The Plan is also proposed to be amended to provide for the award of Deferred Share Units, Restricted Share Units and Restricted Shares to eligible employees, which include directors, officers, employees and service providers. See "Approval of Anvil Mining Limited 2008 Share Incentive Plan".

APPROVAL OF ANVIL MINING LIMITED 2008 SHARE INCENTIVE PLAN

The Corporation's Plan was last approved by the Shareholders of the Corporation at the annual and special meeting held on May 18, 2005. The Plan provides for a maximum number of Common Shares issuable pursuant to Options granted under the Plan equal to 10% of the then issued and outstanding Common Shares. Pursuant to the rules of the TSX, all unallocated options, rights or other entitlements under a security based compensation arrangement which does not have a fixed maximum number of securities issuable, such as the Plan, must be approved by a majority of the directors and the Shareholders every three years. The Plan is therefore required to be submitted to the Shareholders for approval at the 2008 annual general meeting. In connection with this approval, the Board of Directors of the Corporation has approved amendments to the Plan, as summarized below, and recommends the Plan be replaced with the Anvil Mining Limited 2008 Share Incentive Plan, described below.

The Shareholders will be asked to consider and, if thought fit, to approve the following resolutions:

- “2. RESOLVED THAT *the unallocated entitlements under the existing Plan be approved and authorized until May 12, 2011.*”
- “3. RESOLVED THAT *the amendments to the Anvil Mining Stock Option Plan as described in the management information circular accompanying the notice of the 2008 annual general meeting of the Corporation, including renaming such Plan the “Anvil Mining Limited 2008 Share Incentive Plan”, be approved and that all unallocated entitlements issuable pursuant to the Plan are hereby approved and authorized until May 12, 2011.*”

<p>The Corporation will disregard any votes cast on the above resolutions by a director of the Corporation (except one who is ineligible to participate in any employee incentive scheme in relation to the Corporation) and any associate of a director. However, the Corporation need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.</p>

In accordance with the requirements of the TSX a majority of the votes cast at the Meeting must be voted in favour of resolution no. 2, above, for the unallocated entitlements (options) under the existing Plan to continue to be available for issuance under the Plan. The previously allocated options under the Plan will continue unaffected regardless of the approval of resolution no. 2. If resolution no. 2 is not passed, previously granted options will not be available for reallocation if they are cancelled prior to exercise or if they expire.

In accordance with the requirements of the TSX a majority of the votes cast at the Meeting must be voted in favour of resolution no. 3, above, for the amendments described below to be effective.

Terms of the Corporation's Stock Option Plan

The main features of the Plan currently are as follows:

- The eligible participants under the Plan are the directors, officers and service providers of the Corporation and its subsidiaries. Service providers are (a) employees (including full-time and part-time); (b) any individual, corporation, partnership or other entity that provides ongoing management or consulting services for an initial, renewable or extended period of twelve months or more; and (c) any individual who provides ongoing management or consulting services indirectly through a corporation, partnership or other entity covered under the preceding clause (b).
- Each person who is or becomes a non-employee director of the Corporation is automatically granted, as of the date of such appointment or election, an option to purchase 50,000 Common Shares (the "Initial Grant"); provided that if, within the one year period prior to becoming a non-employee director, he or she has been granted any other stock option by the Corporation (or an affiliate), the Initial Grant shall be such other number as is determined by the Board. Subject to any required regulatory or Shareholder approvals, each non-employee director of the Corporation also automatically receives options to purchase 25,000 Common Shares (the "Subsequent Grants") as of the date of the first Board meeting after the end of each financial year of the Corporation.
- The total number of options issued, including under all of the Corporation's previously established or proposed share compensation arrangements is 3,408,466, representing 4.79% of currently issued and outstanding Common Shares. An aggregate of 806,813 Common Shares have been issued pursuant to the exercise of options as March 5, 2008. There are presently 2,384,546 options outstanding, representing 3.35% of currently issued and outstanding Common Shares. There are 4,729,645 Common Shares available to be issued pursuant to further grants under the Plan, which represents 6.65% of currently issued and outstanding Common Shares. As of April 10, 2008, the Corporation had 71,141,910 Common Shares outstanding.
- The number of Common Shares issuable to any one option holder pursuant to options granted under the Plan, together with all of the Corporation's other previously established or proposed share compensation arrangements, shall not exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis.
- Without the prior approval of the Shareholders of the Corporation, the number of Common Shares which may be reserved for issue pursuant to options granted to insiders of the Corporation under the Plan, together with all of the Corporation's other previously established and outstanding or proposed share compensation arrangements, in aggregate, shall not exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis.
- Without the prior approval of the Shareholders of the Corporation, the number of Common Shares which may be issuable under the Plan, together with all of the Corporation's other previously established and outstanding or proposed share compensation arrangements, within a one-year period, in aggregate shall not (i) exceed 10% of the total number of issued and outstanding Common Shares on a non-diluted basis, or (ii) to any one option holder who is an insider of the Corporation and any associates of such insider, exceed 5% of the total number of issued and outstanding Common Shares on a non-diluted basis.

- The exercise price for options issued under the Plan and the vesting provisions and any other terms and conditions are set by the Board and expressed in a written Option Agreement between the Corporation and the grantee; provided that the exercise price shall not be less than lower than the market price of the Common Shares at the time the option is granted. For this purpose, “market price” means the volume weighted average trading price of the Common Shares on the TSX for the five trading days immediately preceding the grant of the options, but if at least 75% of each of the trading volume and trading value of the Common Shares for the six months preceding the grand of the options is on a stock exchange other than the TSX, the “market price” is the price per Common Share acceptable under the requirements of that stock exchange.
- The vesting terms of stock options, including whether vesting shall be in installments, are determined by the Board.
- Stock options shall have a term set by the Board, which shall not exceed six years from the date of grant.
- Upon the death or disability of an optionee, or retirement of an optionee in accordance with the Corporation’s normal retirement policy, options that have then vested may be exercised until the earlier of 365 days after death, disability or retirement and the original expiry date of the options. In the case of early retirement, voluntary resignation or termination without cause, options that have then vested may be exercised until the earlier of 30 days after retirement, resignation or termination without cause (subject to extension for any blackout period) and the original expiry date of the options. In these two instances, unvested options are cancelled immediately. In the case of termination for cause, all options held by an optionee, whether vested or not, are cancelled immediately.
- Options are not assignable, except that an optionee’s legal personal representatives may exercise options that have vested at the time of the optionee’s death within the period provided for in the Plan and summarized above.
- All options become vested in the event of a take-over bid, to enable option holders to tender to the take-over bid. Options that have vested in such circumstances are re-instated if the take-over bid does not complete. The Board also has the power to accelerate the expiry date of options in the event of a take-over bid. All options become vested upon a change of control of the Corporation.
- Appropriate adjustments in the number and exercise price of options are made in the event of a share reorganization, special distribution or corporate reorganization that affects the share capital of the Corporation.
- Subject to applicable law and to the prior approval, if required, of the TSX, the ASX or any other regulatory body having authority over the Corporation, the Plan or the Shareholders of the Corporation, the Board may suspend, terminate or discontinue the Plan at any time, or amend or revise the terms of the Plan or any option granted under the Plan and the option agreement relating thereto. The Board is not permitted to amend the exercise price of an option except in the manner set out in the Plan in the event of a share or corporate reorganization or special distribution. Pursuant to the rules of the TSX, the Plan effectively may be amended only with the approval of the Shareholders.

Proposed Amendments to the Plan and Establishment of the Anvil Mining Limited 2008 Share Incentive Plan

The Board of the Corporation has approved the following amendments to the Plan:

- Rename the Plan the “Anvil Mining Limited 2008 Share Incentive Plan”.
- Remove the Initial Grant and Subsequent Grants to non-employee directors. The Board continues to have discretion to grant options to eligible participants.
- Increase the maximum term of options from six years to ten years from the date of grant.
- Enable the Board to grant Awards comprised of Deferred Share Units, Restricted Share Units and Restricted Shares.
 - A Deferred Share Unit is a notional unit equivalent in value to a Common Share and that confers the right on the recipient to receive a cash amount from the Corporation equal to the value of a Common Share on ceasing to hold any office, position or directorship with the Corporation.
 - A Restricted Share Unit is a contractual right to receive a Restricted Share upon the terms and conditions established by the Board at the time of grant of the Restricted Share Unit, which may include the achievement of specified performance-based objectives on the part of the recipient, on the part of the Corporation, and/or on the part of both.
 - A Restricted Share is a Common Share that is subject to such restriction or restrictions on transfer or assignment as the Board may set out at the time of grant of the Restricted Share Unit or Restricted Share, as applicable.
 - The terms, conditions and restrictions applicable to any Award are set out in a written Award Agreement between the Corporation and the participant.
 - Awards that have not vested are forfeited automatically upon a recipient ceasing to be a director, officer or service provider of the Corporation for any reason, subject to any contrary provisions set out in the specific Award Agreement, except on the death of a participant who holds Deferred Share Units, the cash value of the Deferred Share Units is paid to the participant’s estate.
 - Awards are not assignable, subject to the terms and conditions, if any, set out in an Award Agreement applicable to the death, disability, retirement or cessation of employment of the participant.
 - If the Corporation declares a dividend, a participant who holds Deferred Share Units or Restricted Share Unit is credited with dividend equivalents in the form of additional Deferred Shares Units or Restricted Share Units, as applicable.
 - The provisions regarding take-over bids and any change of control of the Corporation will apply to Awards in a similar manner as they apply to options.

- Appropriate adjustments to Awards will be made in the event of a share reorganization, special distribution or corporate reorganization that affects the share capital of the Corporation.
- Provide that non-employee directors may elect to take their annual retainer in the form of cash, Deferred Share Units or a combination of cash and Deferred Share Units.
- Without the prior approval of the Shareholders of the Corporation, the number of Common Shares which may be issuable under the Plan, together with all of the Corporation's other previously established and outstanding or proposed share compensation arrangements, to non-employee directors of the Corporation within a one-year period, in aggregate shall not exceed 1% of the total number of issued and outstanding Common Shares on a non-diluted basis.
- Extend all other restrictions on the number of Common Shares reserved for issuance or issuable in connection with options granted under the Plan to include Common Shares reserved for issuance or issuable in connection with the grant of Awards under the Plan.
- Provide the Board with the discretion to extend the 365 day period for exercise of vested options upon the death, disability or normal retirement of an optionee, or the 30 days period for exercise of vested options upon early retirement, voluntary resignation or termination without cause up to the original expiry date of the options.
- Provide expressly that options may not be exercised during a Blackout Period and if the expiry date of an option falls during a Blackout Period the option expiry date will be extended by the duration of the Blackout Period, if conditions for the issuance of Restricted Shares are satisfied during a Blackout Period the Restricted Shares will be issued as soon as practicable after the Blackout Period, or if the cash amount payable under Deferred Share Units becomes payable during a Blackout Period, the cash amount will be calculated and paid as soon as practicable after the Blackout Period.
- Revise the amendment provisions in the Plan to allow the Board to amend the Plan, any option or Award, without Shareholder approval, to amend the date on which an option may expire, except in the case of an option held by an insider of the Corporation; amend the date upon which any restrictions expire or any conditions must be satisfied in connection with an Award, except in the case of an Award held by an insider; amend the vesting provisions of the Plan, any Option Agreement or any Award Agreement; provide for a cashless exercise feature to an option, Award or the Plan, provided that such amendment ensures the full deduction of the number of underlying Common Shares from the total number of Common Shares subject to the Plan; amend the Plan, an option or an Award to the extent necessary to comply with any laws (including tax laws) or any applicable regulatory or exchange requirements; make "housekeeping" amendments; amend the administrative provisions of the Plan or make any other amendment that does not require Shareholder approval under the terms of the Plan.
- Specify that Shareholder approval is required to make any amendment that increases the maximum number of Common Shares that may be issuable pursuant to options or Awards granted under the Plan; reduces the exercise price or extends the expiry date of any option; reduces any share purchase price under any Award; or materially modifies the eligibility requirements for participation in the Plan.
- Other minor "housekeeping" revisions to the Plan.

The amended Plan will, in all other material respects, have the same terms and conditions as the Plan as it currently exists.

CORPORATE GOVERNANCE PRACTICES

The Corporation seeks to achieve high standards of corporate governance and has designed its corporate governance practices to be consistent with this objective. As a Canadian public company with its shares traded on the Toronto Stock Exchange and CDIs traded on the Australian Securities Exchange, the Board has adopted its governance practices in response to Canadian and Australian regulatory requirements. As new rules and policies come into effect, the Board will continue to revise its practices as required.

Board of Directors

The independent directors of the Corporation are Messrs. Thomas Dawson, John Sabine, Peter J.L. Bradford and Kenneth L. Brown. Mr. William S. Turner is the President and Chief Executive Officer of the Corporation and is not an independent director of the Corporation. A majority, being four of five, of the directors of the Corporation are independent.

The following table identifies each director of the Corporation who is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction.

Director	Reporting Issuer
Peter J.L. Bradford	Copperbelt Resources plc
Thomas C. Dawson	WFI Industries Ltd., Energy Split Corp., R Split II Corp and Seabridge Gold Inc.

In accordance with the Corporation's Board Charter, the independent Board members shall hold regularly scheduled meetings at which members of management are not in attendance. Since the beginning of the most recently completed financial year, there have been eight meetings of the independent directors.

The Corporation's Board Charter mandates that an independent director shall be Chairman of the Board. Mr. John W. Sabine, who is an independent director, is the Chairman of the Board of Anvil. The Chairman of the Board is responsible for leading the Board in its duties to the Anvil Group; ensuring there are processes and procedures in place to evaluate the performance of the Board, its committees and its individual directors; facilitating effective review, analysis and discussion at Board meetings; and ensuring effective communication with Shareholders and stakeholders.

The following table sets out the attendance record of each director at all Board meetings and meetings of committees of which they were members held during the financial year ended December 31, 2007.

Name of Director	Date Appointed Director	Board Meetings Held (Attended)	Audit Committee Meetings Held (Attended)	Nomination & Compensation Committee Meetings Held (Attended)
William S. Turner	September 23, 1996	8 (8)		
Peter J. Bradford	September 11, 1998	8 (8)	5 (5)	Chairman 2 (2)
John W. Sabine ⁽¹⁾	February 29, 2004	Chairman 8 (8)	5 (3) ⁽²⁾	2 (2)
Thomas C. Dawson	May 27, 2005	8 (8)	Chairman 5 (5)	2 (2)
Kenneth L. Brown	November 9, 2006	8 (8)	5 (2) ⁽²⁾	

Notes:

- (1) Mr. Sabine was appointed Chairman of the Board on November 4, 2005.
- (2) Mr. Brown replaced Mr. Sabine as a member of the Audit Committee at a meeting of the Board held on May 10, 2007.

It should be noted that the above summary is not strictly indicative of the contribution made by each director and that absence from a meeting may result from a variety of factors or causes.

Board Mandate

The Corporation has a written Board Charter that sets out the role, composition and responsibilities of the Board of the Corporation and its subsidiaries.

The Board is responsible for supervising the management of the business and affairs of the Corporation in a way which ensures that the interests of Shareholders and stakeholders are promoted and protected. The Board discharges this responsibility both directly and by delegating certain authority to committees of the Board and to senior management of the Corporation. The responsibilities of the Board include the following:

1. **Board**
 - (a) Determining the size and composition of the Board, establishing committees, determining director compensation, selecting and evaluating candidates for election,
 - (b) Maintaining a formal orientation and education program for new directors and ongoing programs for all directors, and
 - (c) Assessing its overall effectiveness as a Board and the effectiveness of individual directors.
2. **Senior Management**
 - (a) Selecting, evaluating and, if necessary, replacing the President & Chief Executive Officer, Corporate Secretary and other members of senior management,
 - (b) Delegating responsibility and authority for the management of operations and administration of the Corporation to the President & Chief Executive Officer,
 - (c) Overseeing succession planning for senior management positions,
 - (d) Approving the compensation of senior management,

- (e) Ensuring that the Corporation has an appropriate blend of senior management skills and capabilities to implement the agreed to strategies, and
 - (f) Advising and counselling the President & Chief Executive Officer.
3. **Strategy**
- (a) Reviewing the effectiveness of the strategic planning process,
 - (b) Approving the Corporation's business objectives and strategic plans,
 - (c) Monitoring corporate performance against approved objectives and strategic plans, and
 - (d) Ensuring there are adequate human and financial resources available to achieve the Corporation's stated objectives.
4. **Risk Management, Capital Management and Internal Control**
- (a) Reviewing and approving risk management policies and procedures,
 - (b) Monitoring adherence to stated risk management policies and procedures, including political risk management, capital risk management, internal control procedures and management information systems so as to provide reasonable assurance as to the reliability of the Corporation's financial information and the safeguarding of its assets,
 - (c) Monitoring compliance with legislative and regulatory requirements of all jurisdictions in which the Corporation operates, and
 - (d) Monitoring compliance with the Corporation's Code of Business Conduct.
5. **Financial Reporting**
- (a) Reviewing and approving the annual financial statements,
 - (b) Reviewing the quarterly financial statements, and
 - (c) Reviewing and approving material investments and transactions.
6. **Communications**
- (a) Reporting the financial results to Shareholders and other stakeholders,
 - (b) Approving policies regarding confidentiality of information,
 - (c) Approving policies for trading by employees in the securities of the Corporation, and
 - (d) Monitoring corporate communications and public disclosure.
7. **Other**
- (a) Performing such other functions as are prescribed by law or as assigned to the Board in the Corporation's governing documents, and
 - (b) Ensuring that the Corporation has appropriate corporate governance structures in place including standards of ethical behavior and a culture of corporate, social and environmental responsibility.

Position Descriptions

The Board has a written position description for the Chairman of the Board and for the chairman of each Board committee and has developed a written position description for the CEO, which is included in an abbreviated form in the Board Charter.

Orientation and Continuing Education

The Nomination, Compensation and Corporate Governance Committee is responsible for the identification of new directors for appointment to the Board as well as for the assessment and enhancement as necessary of individual director competencies. Due to its size, the Corporation does not have a formal Directors' manual, however new directors are provided with detailed financial and operational information about the Corporation. Directors are also provided with copies of the Corporation's Board Charter, Code of Conduct, Corporate Governance Charter, Continuous Disclosure and Insider Trading Policy and Whistleblower Policy and encouraged to visit the Corporation's operational sites.

Ethical Business Conduct

The Board has adopted a written Code of Business Conduct which applies to directors, officers and employees of the Corporation. A copy of the Code may be obtained from the Corporation's website, at www.anvilmining.com, or by contacting the Corporate Secretary by mail, at Anvil Mining Limited, Level 1, 76 Hasler Road, Herdsman Business Park, Osborne Park, Western Australia, 6017, by e-mail to Stuart McKenzie, the Corporate Secretary, at stuartm@anvilmining.com, or by telephone at +61 8 9481 4700 or by facsimile at +61 8 9201 0125.

The Board monitors compliance with the Code through the Audit Committee. The Audit Committee is required to meet at least once in each fiscal quarter and is required to report to the Board following its meetings.

There has been no conduct of a director or executive officer since the beginning of the last financial year that constitutes a departure from the Code and therefore no material change report has been required to be filed in connection with any such conduct.

There are no transactions or agreements of the Corporation in respect of which a director or executive officer has a material interest, other than as disclosed in this Information Circular. See under the heading "Interest of Informed Persons in Material Transactions". The Board ensures directors exercise independent judgment in considering any such transaction by requiring the interested director to absent himself from any meeting or portion of a meeting at which any such transaction is considered.

In furtherance of the objective of encouraging and promoting a culture of ethical business conduct, the Board also has adopted a Whistleblower Policy. A copy of the Policy may be obtained from the Corporation's website, at www.anvilmining.com, or by contacting the Corporate Secretary by mail, at Anvil Mining Limited, Level 1, 76 Hasler Road, Herdsman Business Park, Osborne Park, Western Australia, 6017, by e-mail to Stuart McKenzie, the Corporate Secretary, at stuartm@anvilmining.com, or by telephone at +61 9 481 4700 or by facsimile at +61 8 9201 0125. The Corporation's Corporate Secretary is the Corporation's Compliance Officer, to whom concerns about legal or regulatory compliance by the Corporation should be reported. Employees may report concerns to any other supervisor or member of management if they feel more comfortable doing so. The Audit Committee is responsible for monitoring the operation of the Whistleblower Policy.

To further encourage ethical business practices, each director has the right to seek independent professional advice at the Corporation's expense, upon obtaining prior approval from the Chairman, which approval will not be unreasonably withheld.

Nomination of Directors

The Board identifies potential Board candidates primarily through the work of the Nomination, Compensation and Corporate Governance Committee. Potential candidates are identified through contacts with consultants and advisors to the Corporation, research and by current Board members using their industry contacts and knowledge.

Possible candidates for Board nomination are contacted and interviewed and their background and experience are checked before the Nomination, Compensation and Corporate Governance Committee will recommend a candidate to the Board for nomination.

The Nomination, Compensation and Corporate Governance Committee is composed entirely of independent directors. The duties of the Nomination, Compensation and Corporate Governance Committee include:

- Identifying and evaluating the particular skills, experience and expertise that will best complement the Board's effectiveness;
- Reviewing Board succession plans;
- Evaluating the Board's performance; and
- Making recommendations for the appointment and removal of directors to the Board.

The Nomination, Compensation and Corporate Governance Committee is required to meet as frequently as required, but not less than two times annually, and is required to report regularly to the Board following its meetings. Particularly with regard to nominations responsibilities, the Nomination, Compensation and Corporate Governance Committee's duties include:

- Determining the appropriate size and composition of the Board;
- Developing criteria for selection of candidates for the Board in the context of the Board's existing composition and structure;
- Making recommendations to the Board on the appointment and removal of directors;
- Identifying, assessing, and enhancing director competencies;
- Developing a succession plan for the Board and regularly reviewing that plan;
- Reviewing the time required from a non-executive director and whether directors of the Board are meeting this requirement; and
- Evaluating the performance of the Board and key executives – the Nomination, Compensation and Corporate Governance committee completes an annual assessment to review the effectiveness of the Board and the Board committees, and the effectiveness of individual directors and the chairmen of the Board and Board committees. The results are discussed by the Board and used as a basis for any changes to the composition and functioning of the Board and its committees.

The Nomination, Compensation and Corporate Governance Committee is entitled to access to any and all books and records of the Corporation necessary for the execution of the Committee's obligations and is required to discuss with the officers of the Corporation such records and other matters considered appropriate. It may obtain independent professional advice at the Corporation's expense, upon obtaining prior approval of the Chairman, which consent is not to be unreasonably withheld.

Compensation

The Nomination, Compensation and Corporate Governance Committee is composed entirely of independent directors. It is charged with the responsibility of making recommendations to the Board on executive compensation and incentive policies, compensation packages of senior management and the compensation framework for directors.

With regard to responsibilities relating to compensation matters, the Nomination, Compensation and Corporate Governance Committee's duties include:

- Determining compensation policies and compensation of directors;
- Determining compensation and incentive policies packages of key executives;
- Professional indemnity and liability insurance for directors and senior management;
- Reviewing succession plans for senior management; and
- Preparing an annual report on executive compensation for inclusion in the Corporation's Annual Information Form.

With regard to responsibilities relating to corporate governance matters, the Nomination, Compensation and Corporate Governance Committee's duties include:

- Overseeing issues of corporate governance as they apply to the corporation and reporting to the Board on such matters;
- Reviewing annually the Corporation's compliance with applicable corporate governance legislation and guidelines and considering whether any changes to the systems and procedures in place to achieve compliance should be recommended to the Board;
- Reviewing annually and reporting to the Board on:
 - the relationships, if any, between each of the directors and the Corporation and its management; and
 - any involvements of any of the directors which constitute, or may result in, a conflict of interest;
- Reviewing, at least annually, the Committee's duties and responsibilities and determining if any amendments, additions or deletions are necessary;
- Reporting to the Board at the earliest opportunity following any meeting of the Committee; and
- Such other duties as may be delegated by the Board to the Committee from time to time.

The Nomination, Compensation and Corporate Governance Committee is entitled to access to any and all books and records of the Corporation necessary for the execution of the Committee's obligations and is required to discuss with the officers of the Corporation such records and other matters considered appropriate. It may obtain independent professional advice at the Corporation's expense, upon obtaining prior approval of the Chairman, which consent is not to be unreasonably withheld.

During the most recently completed financial year, the Nomination, Compensation and Corporate Governance Committee retained a compensation consultant to conduct a compensation review of executive and senior management positions.

Corporate Responsibility and Sustainable Development Committee

In February 2008, the Board established a Corporate Responsibility and Sustainable Development Committee. The primary function of the Corporate Responsibility and Sustainable Development Committee is to advise the Board in regard to the conduct of management in the following areas:

- Sustainability;
- Safety;
- Social development and community relations;
- Health and physical environment;
- Employee relations;
- Political and operational risks associated with country environments;
- Code of business conduct and implementation of guiding principles; and
- Reputational risk.

For the 2007 year, the function of the Corporate Responsibility and Sustainable Development Committee was performed by the Board as a whole.

The Corporate Responsibility and Sustainable Development Committee is required to meet as frequently as required, but not less than two times annually, and is required to report regularly to the Board following its meetings.

The Corporate Responsibility and Sustainable Development Committee is entitled to access to any and all books and records of the Corporation necessary for the execution of the Committee's obligations and is required to discuss with the officers of the Corporation such records and other matters considered appropriate. It may obtain independent professional advice at the Corporation's expense, upon obtaining prior approval of the Chairman, which consent is not to be unreasonably withheld.

Assessments

The Board, its committees and individual directors do not, at present, conduct a formal assessment as to their effectiveness. The Nomination, Compensation and Corporate Governance Committee periodically assesses the needs of the Board in relation to skill requirements and experience. Current Board members have been selected based on their distinctive skills and potential contribution to the effectiveness of the Corporation. Due to the growth of the Corporation in the last year, the Committee has identified the need for a possible increase in the number of directors who will be able to provide the specialist skills and experience necessary in areas that do not presently exist at the Board level.

AVAILABILITY OF DOCUMENTS

The Corporation will provide to any person, upon request to the Corporate Secretary, one copy of the following documents:

- a) the Corporation's latest Annual Information Form, together with any document, or the pertinent pages of any document, incorporated therein by reference, filed with the applicable securities regulatory authorities;
- b) the comparative financial statements of the Corporation filed with the applicable securities regulatory authorities for the Corporation's most recently completed year in respect of which such financial statements have been issued, together with the report of the auditors thereon, Management's Discussion and Analysis and any interim financial statements of the Corporation filed with the applicable securities regulatory authorities subsequent to the filing of the annual financial statements; and
- c) the Management Information Circular of the Corporation filed with the applicable securities regulatory authorities in respect of the most recent annual meeting of Shareholders of the Corporation which involved the election of directors.

Upon request, copies of the above documents will be provided free of charge to security holders of the Corporation. The Corporation may require the payment of a reasonable charge by any person or company who is not a security holder of the Corporation, and who requests a copy of such document. The above documents are also on SEDAR at www.sedar.com.

SHAREHOLDER PROPOSALS

The final date by which the Corporation must receive a proposal for any matter that a person entitled to vote at an annual meeting proposes to raise at the next annual meeting of the Corporation is February 12, 2009.

APPROVAL OF THIS MANAGEMENT INFORMATION CIRCULAR

The contents and the sending of this Management Information Circular have been approved by the directors of the Corporation.



By order of the Board
Stuart McKenzie
Corporate Secretary

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