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# Investor Presentation



RBC Capital Markets®

**RBC Capital Markets 4<sup>th</sup> Annual Global Mining and Materials Conference**

**Brave New World – Meeting the Needs of Global Growth**

**Toronto**

**June 8-9, 2010**

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This presentation contains “forward-looking information” regarding the availability of funds under the Trafigura loan facility, the Company’s Kinsevere Stage II project and the operation of the Stage I HMS plant at Kinsevere. The purpose of forward-looking information is to provide the reader with information about management’s expectations and plans. Assumptions upon which such forward-looking information is based include that all conditions to availability of the Trafigura loan facility will be satisfied or waived, that the development of Kinsevere Stage II will proceed as planned and that the Kinsevere Stage I HMS plant will continue to operate as expected. Many of these assumptions are based on factors and events that are not within the control of Anvil (or Trafigura) and there is no assurance that they will prove to be correct. There can be no assurance that the conditions to availability of the Trafigura loan facility will be satisfied, or that the Stage II expansion of the Kinsevere copper mine will proceed as planned and within expected time limits and budgets, or that when completed, the expanded Kinsevere copper project will operate as anticipated, or that the Kinsevere Stage I HMS plant will operate in accordance with forecast performance or that the Company will complete a refinancing of the Trafigura loan facility as planned. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Such factors include, among others, risks related to mining operations, including political risks and instability, risks related to international operations, actual results of current construction and development activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, as well as those factors discussed in the section entitled “Risk Factors” in the Company’s annual information form, which is available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com). There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward looking information.

The Company’s Annual Information Form is available under the Company’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

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



# Anvil in the DRC

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- Strong operational presence in DRC
  - Commenced production in 2002
- Kinsevere Stage II focus now
  - Complete construction year-end
  - High-quality project
    - Grade 3.9% Cu (oxides)
    - Waste to ore ratio 1.2:1
  - Capex \$400M
    - \$245M already spent (May 13, 2010)
  - Commissioning Q1 2011
    - Ramp-up period of 4-6 months
    - Additional working Capex<sub>(E)</sub> ±\$25M
  - Capacity of 60,000t/year Cu cathode
  - Cash Cost (C1) \$0.89/lb Cu
- Other project
  - Mutoshi (Cu – Co)



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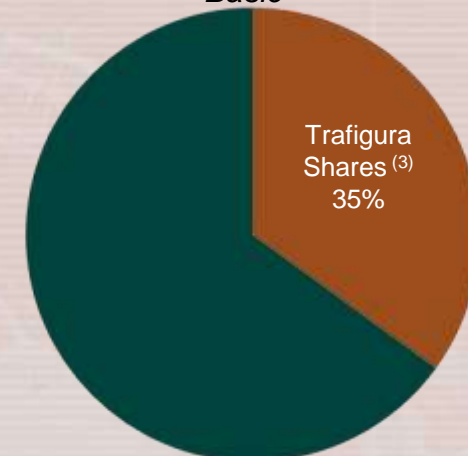
# Capitalization Summary & Cash Position

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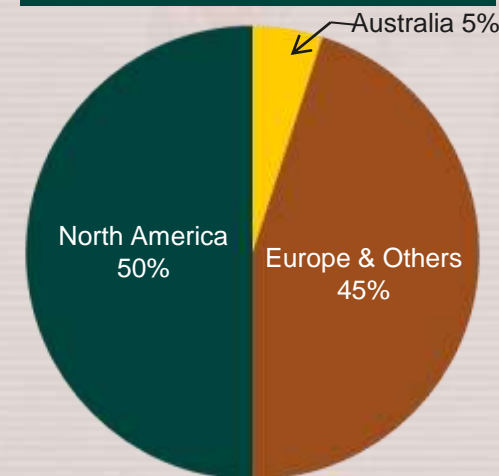
Stock exchange listings & symbols	TSX: <b>AVM</b> ASX: <b>AVM</b>	
Shares issued and outstanding	Current: Fully Diluted:	150.4 million 165.9 million
52-week share price range	C\$1.26-C\$4.27	
Recent share price – June 1, 2010	C\$3.24	
Market capitalization (June 1, 2010)	\$487 million	
Debt (undrawn)	\$100 million <sup>(1)</sup>	
Cash and cash equivalents	\$85.0 million <sup>(2)</sup>	
Available-for-sale investments	\$22.3 million <sup>(2)</sup>	
Average (YTD) 2010 daily trading volume – shares	0.6 million	

## Ownership

Basic<sup>(3)</sup>



## Geographic Distribution



<sup>(1)</sup> Completion of a \$100 million equity placement in second half of 2009. Debt facility of \$100 million available, but not drawn until cash proceeds from equity placement are spent.

<sup>(2)</sup> As at May 13, 2010 (unaudited).

<sup>(3)</sup> Trafigura ownership increases from 35% to 39% on a fully diluted basis.



# Kinsevere Stage II Overview

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- **High quality open pit copper mine:**
  - 95% ownership with remaining 5% owned by Mining Company of Katanga (MCK)
  - 25+ year lease agreement with Gécamines
  - Sulphide resource yet to be drilled out
  - Currently in production as HMS operation
- **Amendment Agreement with Govt & Gécamines:**
  - Finalised January 2009
- **Expected Operating Parameters:**
  - Annual production 60kt Cu cathode (SX-EW)
  - Cash cost of \$0.89/lb Cu (C1)
  - Cash cost + royalties of \$0.99/lb Cu
  - Total operating cost of \$1.33/lb Cu (C3)
  - Operational life of 14+ years (oxides only)
  - Industry standard technology



Reserves and Resources (2)				
Category	Ore	Grade		Contained Metal
	Mt	TCu (%)	ASCu <sup>(3)</sup> (%)	Cu (kt)
P & P - Oxide	20.8	3.9	3.3	690
M & I <sup>(2)</sup> - Oxide	25.7	3.8	3.1	807
Additional Inferred	14.2	3.6	N/A	507

- (1) Once Kinsevere Stage II SX-EW plant is operational
- (2) Reserves & resources as at December 31, 2009. The P&P reserve is included within the M & I oxide mineral resource and use a cut-off of 0.7% ASCu.
- (3) Acid soluble copper (ASCu).



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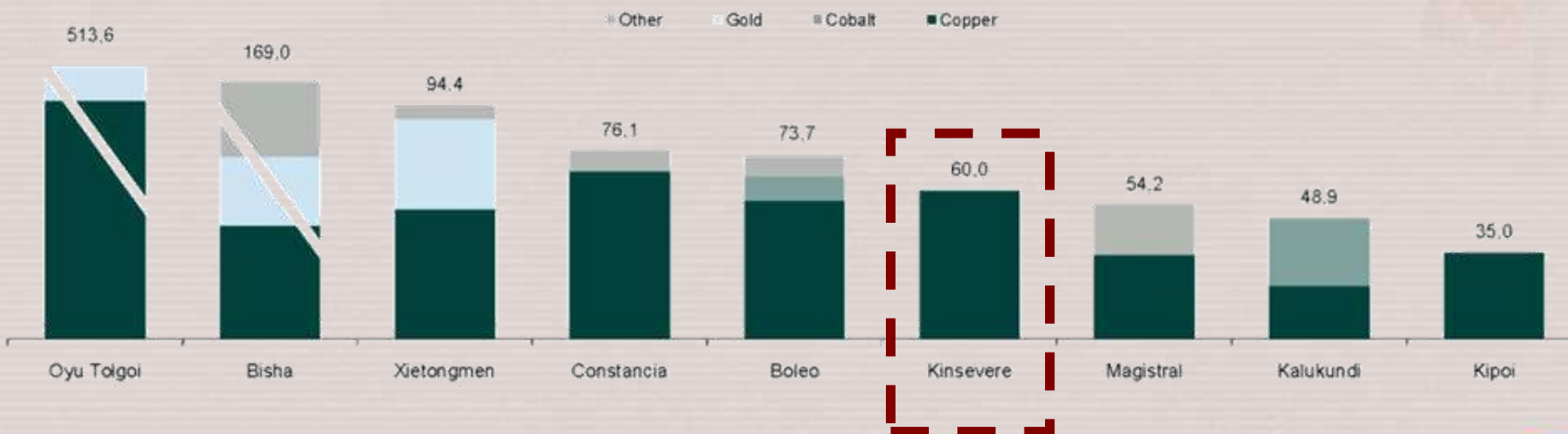
# Kinsevere – High Grade Production Profile

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## LOM Cu Equivalent Grade (%)



## Average LOM Production (ktpa Cu Equivalent)



Source: BMO Capital Markets, January 2010 and Public Disclosure, Metals Economics Group.

Note: Copper equivalent amounts calculated using the following LT commodity price assumptions; Cu US\$2.00 / lb, Zn US\$0.78 / lb, Co US\$13.25 / lb, Mo US\$13.25 / lb, Ag US\$13.22 / oz, Au US\$850 / oz.



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# Kinsevere Stage II Operation Highlights

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Description	Stage II
Ore mined (million tonnes)	<b>18.0</b>
Average grade (% ASCu)	<b>3.5</b>
Waste mined (million tonnes)	<b>22.4</b>
Waste to ore ratio	<b>1.2 : 1</b>
Processing life (years)	<b>14</b>
Ore processed (million tonnes) <sup>1</sup>	<b>21.9</b>
Average processed grade (% ASCu)	<b>3.2</b>
Recovery (%)	<b>91.9</b>
<b>Cu metal produced (tonnes)</b>	<b>648,500</b>

(1) Total ore processed exceeds the total ore mined due to reclaim from existing long-term stockpiles, plus floats and effluent stockpiled from Stage I processing.

(2) Average recovery over the term of Stage II reflects a period of reduced recovery during production ramp-up.



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# Kinsevere Stage II Unit Operating Costs

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Average Stage II Operating Costs	Cash Costs (\$/lb)
Mining Costs & Technical Service Costs	\$0.15
Processing Costs	\$0.34
Maintenance costs	\$0.07
Administrative Costs	\$0.11
<b>Cash Cost at Mine Gate</b>	<b>\$0.67</b>
Transport and Marketing Costs	\$0.20
Export Duties	\$0.02
<b>Total C1 Cash Costs</b>	<b>\$0.89</b>
Royalties <sup>(1)</sup> – Paid	\$0.11
Total Cash Costs	\$1.00
Depreciation & Amortisation	\$0.33
<b>Total C3 Operating Cost</b>	<b>\$1.33</b>

<sup>(1)</sup> Royalties include a payment to Gécamines of 2.5% of gross revenues and a payment to the DRC Government based on a 2% NSR.



# Fast Tracking Kinsevere Stage II

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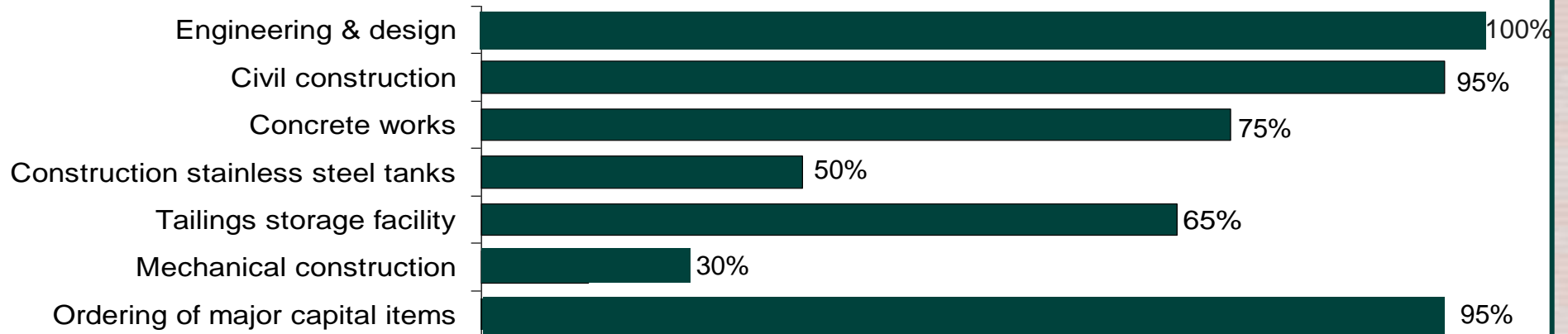
- **Estimated cost to complete at Ausenco Contract at Jan 2010 signing: \$200M**
  - Lump Sum Contract Cost: \$130 million
  - Owner's Costs: \$ 58 million
  - Contingency: \$ 12 million (Only \$2.2M used as of May 13, 2010)
- **Attributes of Ausenco Lump Sum Contract**
  - Engineering and construction teams include Ausenco from Australia & Group 5 from SA, and include a number of local Congolese contractors,
  - Some Early Start Works commenced in October last year,
  - The project benefits from having the Design and Engineering already completed, construction teams with considerable previous experience in the DRC, and a great deal of the materials already on site which has opened up many work faces providing considerable flexibility in construction.
- **Capital Expenditures**
  - Funds spent to end of Q1 2010: \$229M, with \$171M to complete the project.
- **Timetable**
  - Complete construction at year end 2010,
  - Begin Commissioning in Q1 2011,
  - Ramp-up (Capex<sub>(E)</sub> of \$25M) to 60,000 tpa cathode copper by mid-2011.



# Kinsevere Stage II Construction

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## Project status – May 2010



# Kinsevere Stage II Construction

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## Plant and equipment largely fabricated & erected

- Crusher, Apron Feeder & ROM Bin
- Leach tanks
- 5 CCD Thickeners
- Most of the Pipe Racks
- Stainless steel tankage
- EW Tankhouse

## Plant and equipment on site

- Complete 2.55MW ball mill
- Pin bed clarifiers
- Multimedia filters
- Half the EW cells
- Bulk of cathodes and anodes
- Cathode stripping machine
- Water treatment plant



Pipe racks, CCD thickeners & acid tanks



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All amounts are expressed in US\$, unless otherwise stated.

## ■ Production - Kinsevere HMS Plant

- 4,093 tonnes of copper in concentrate form
- Concentrate grade 25% Cu

## ■ Qtr 1, 2010 Financials

- Sales of \$15.5M (average realized Cu price of \$3.33)
- Operating Profit of \$3.5M,
- Net Income of \$6.6M (\$0.04/share)  
((\$3.5 million from tax credits relating to funding interest costs))
- Cash Flows from continuing operations (before changes in w/c) of \$6.4M (\$0.04 per share)
- Op Cash Cost per tonne of Concentrate of \$319/t
- Cash and restricted cash of \$85 million (US\$0.56 per share) as at May 13, 2010

## ■ Cash Costs for Q2 & Q3 approximately \$350/t



# Quarterly Profit & Loss Statement (\$M)

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## Quarterly Highlights

	2010 Q1	2009 Q4	2009 Q3	2009 Q2	2009 Q1
Net Copper Sales \$M	15.5	23.5	18.1	7.7	1.7
Realised Cu Price (\$)	3.33	3.09	2.73	1.80	0.33
Operating Profit (loss) \$M (After D&A)	3.5	8.7	4.2	(7.7)	(14.5)
Op Cash Cost/t Concentrate Produced (\$)	319	304	249	484	-
Net Income (loss) - in millions \$	6.6	10.9	(0.2)	(11.3)	(18.8)
- per share amount (\$)	0.04	0.09	(0.00)	(0.13)	(0.27)
Cash Flow <sup>(1)</sup> - in millions \$	6.4	11.5	6.6	(6.4)	(11.9)
- per share amount (\$)	0.04	0.09	0.06	(0.07)	(0.17)
Production (t) - Copper	4,093	4,970	5,865	5,372	199
Sales (t) – Copper	4,424	8,097	7,093	3,059	1,478

<sup>(1)</sup> Before changes in working capital.



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## ■ Kinsevere HMS Plant

- Continued cash positive operation
- Able to pay for company-wide corporate and operating costs

## ■ Kinsevere Stage II Construction

- Anticipated on-budget & on-time completion by year-end

## ■ Debt Facility \$100M

- Drawdown of Trafigura debt facility expected in late Q2 / early Q3

## ■ Refinancing to \$140M

- Refinancing debt facility to \$140M progressing well
- Completion expected during Q3



# Kinsevere Stage II – Construction Progress (May 2010)

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Crushing – MMD Sizer and ROM Pad



Electro-winning Tankhouse, SX and CCD thickeners



Leaching tanks

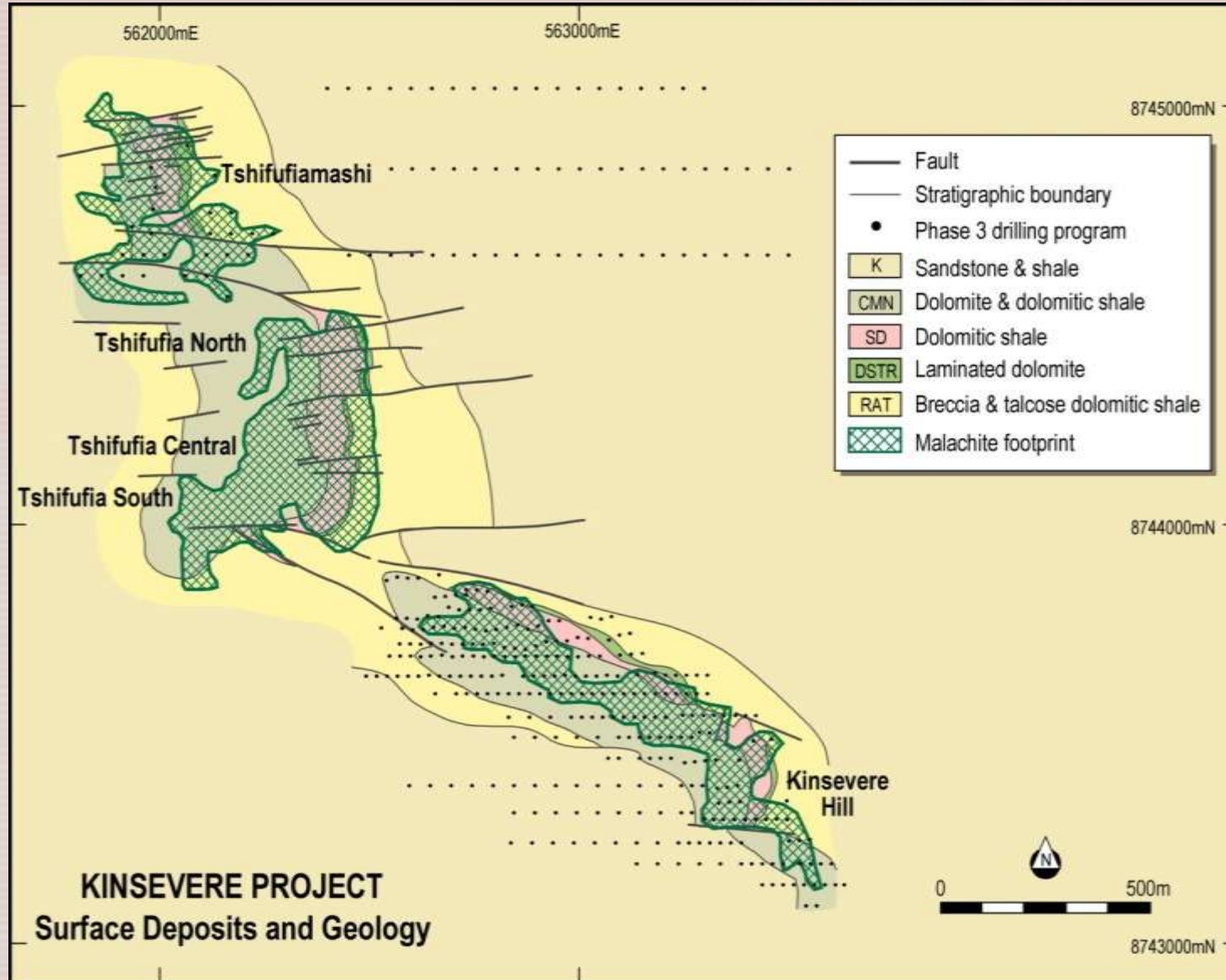


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# Kinsevere Geology & Mineralisation Footprint

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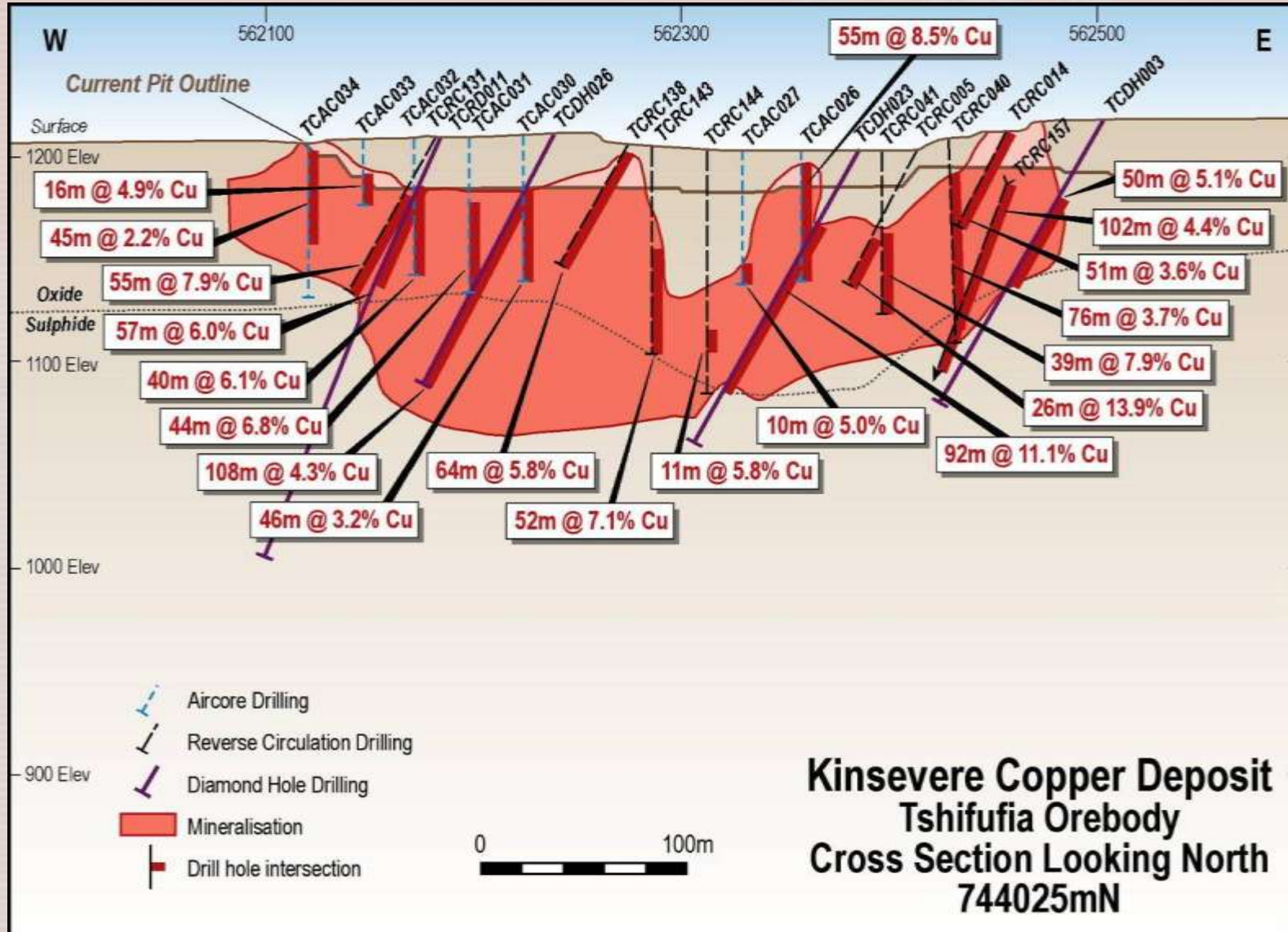
## Kinsevere Tenement Area: 14.6km<sup>2</sup>



# Cross Section

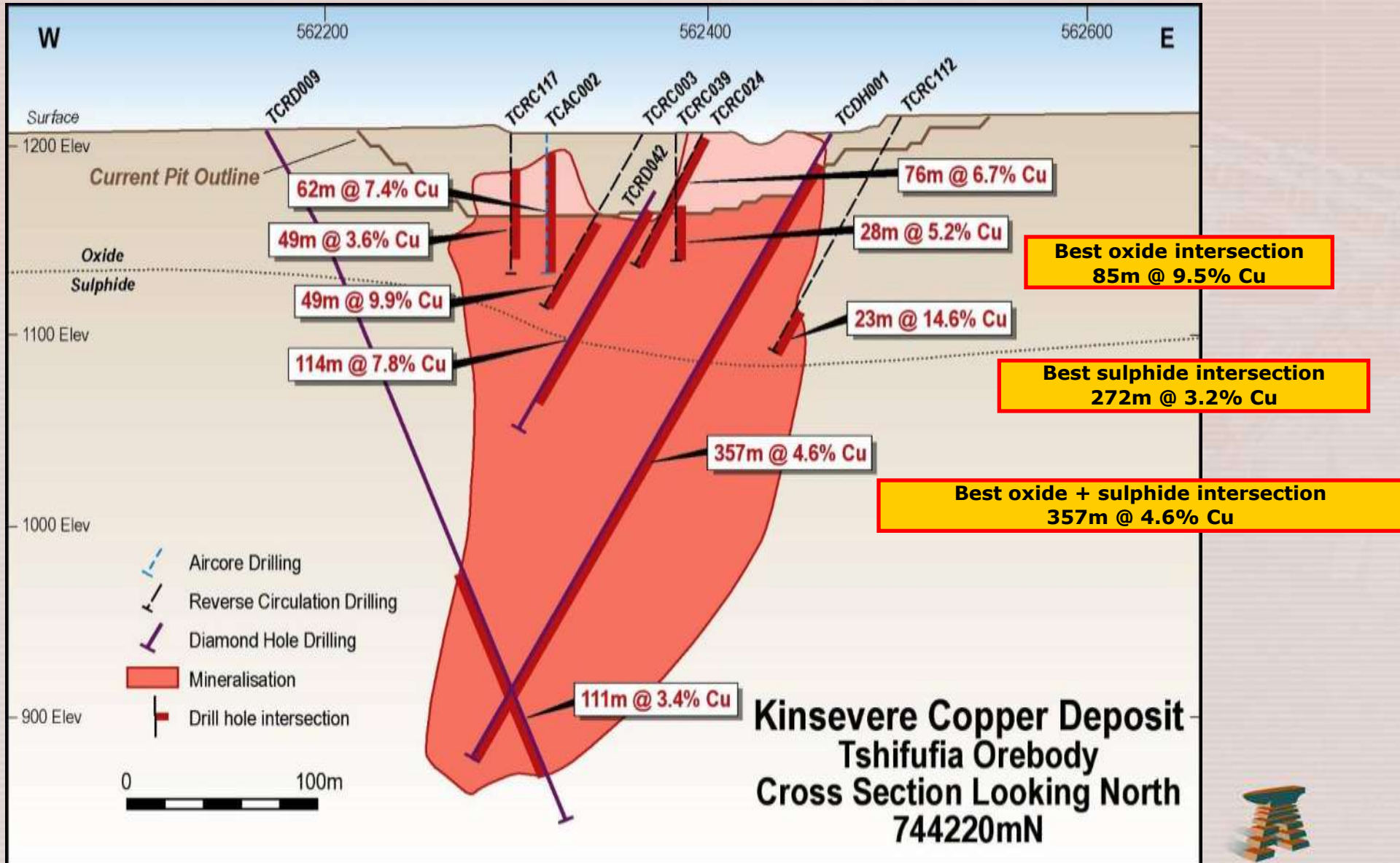
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## Quality deposit supporting 14+ years of operational life



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# Cross Section



# Social & Community Development Programs

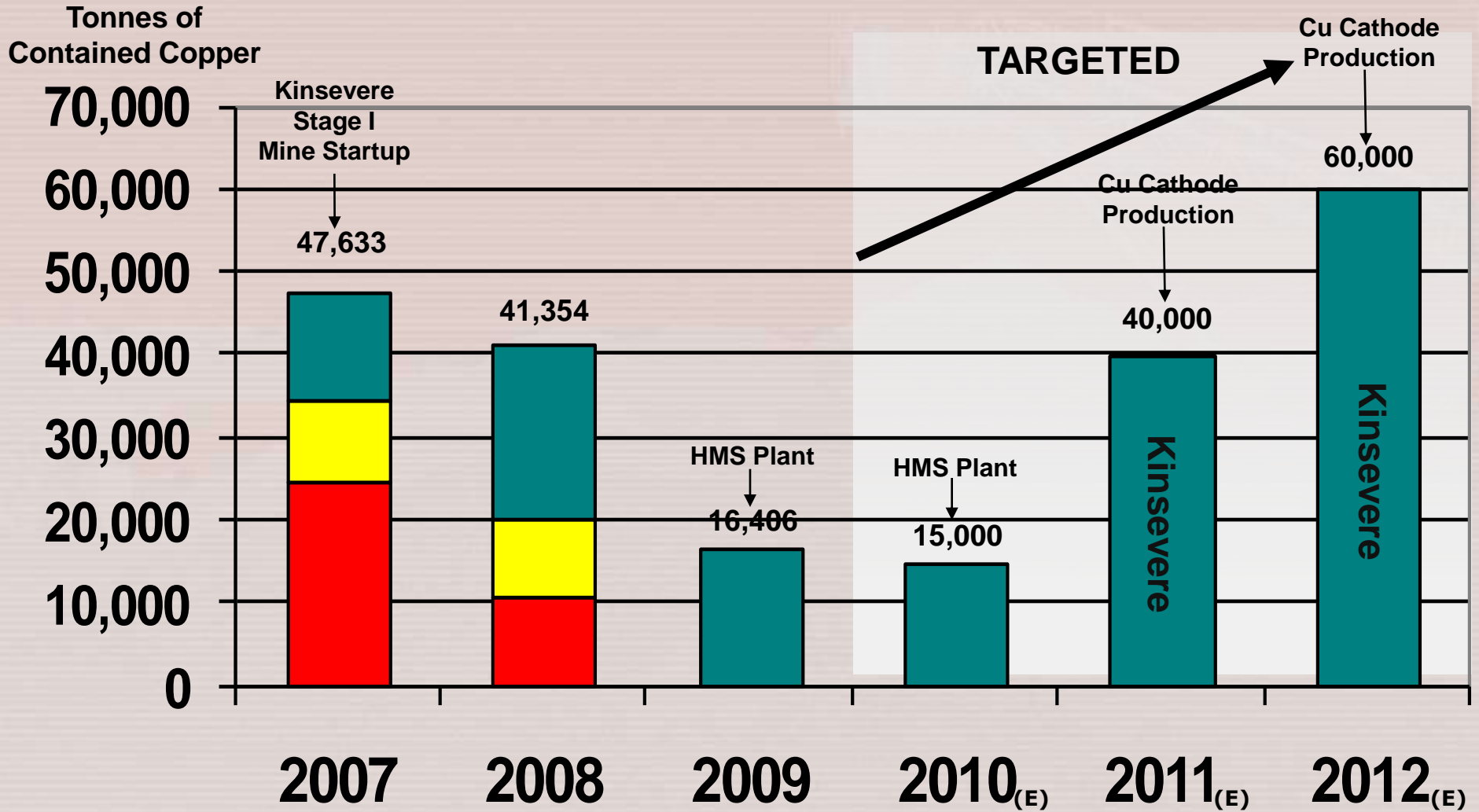
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- **Anvil committed to sharing the benefits with the local community and making a meaningful difference**
- **Anvil is one of the leading international mining companies in social development of the DRC,**
- **\$22M invested in the DRC to date:**
  - 9 Schools (over 4,000 students)
  - Refurbishing of the Kilwa Hospital and the Mwangeji Hospital; 2 medical clinics
  - 71 fresh water wells (in over 60 villages)
  - Over 100km of road refurbishment work
  - Support to at least 5,400 small-scale farmers
- **Artisanal miner issues**
- **Voluntary Principles on Security & Human Rights**



# Production Growth Profile

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- **Kinsevere Stage II is starting to gain momentum:**
  - Great deal of equipment on site;
  - Engineering and Design work is now complete;
  - Many work fronts and great deal of flexibility; and
  - Two groups on site: Ausenco and Group 5 (previously on site prior to placing Kinsevere Stage II construction on hold in Q4 2008). In addition Group 5 has a great deal of recent construction experience in the DRC.
- **Kinsevere Stage II SX-EW is now Anvil's flagship project:**
  - It will be a low-cost, long-life, 60,000 tpa (equivalent to 130M lbs Cu) cathode copper producer;
  - C1 Cash Cost expected to be \$0.89 per pound, and including royalties \$1.00 per pound;
  - C3 Total Cost of \$1.33 per pound of cathode copper; and
  - Our focus now is on delivering the SX-EW project on-time and on-budget.
- **There is significant upside potential with sulphide resources at Kinsevere with the best sulphide intersection being 272 metres at an average grade of 3.2% Cu;**
- **In addition, there are attractive future consolidation opportunities in the DRC Copperbelt which we wish to take advantage of; and**
- **Finally, Anvil and its strategic partner Trafigura have a shared vision of building a leading copper producer in the DRC, and Kinsevere Stage II will provide the platform to do this.**



**Please Visit us**  
[www.anvilmining.com](http://www.anvilmining.com)

## Contact

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## Directors

### John Sabine

Chairman (non-exec)

### Bill Turner

President and CEO

### Tom Dawson

Director (non-exec)

### Patrick Evans

Director (non-exec)

### Jesus Fernandez

Director (non-exec)

### Deon Garbers

Director (non-exec)

### Jeremy Weir

Director (non-exec)

## Senior Management

### Bill Turner

President and CEO

### Paul Chare

Vice President Operations

### Robert La Vallière

Vice President Corporate Affairs

### Stuart McKenzie

Corporate Secretary

### Lui Evangelista

Acting CFO

### Mike Lawlor

Manager Group Technical Services

### Charles Loots

Manager Public Affairs

### Alan Walker

Senior Project Manager

### Karen O'Neill

Commercial Manager – Kinsevere Stage II

### John Ryan

Engineering Manager

### Brendan Moseley

Manager - Metallurgy

### Gavin Schiller

Health, Safety & Environment Manager

### Tony Borkett

Manager Training

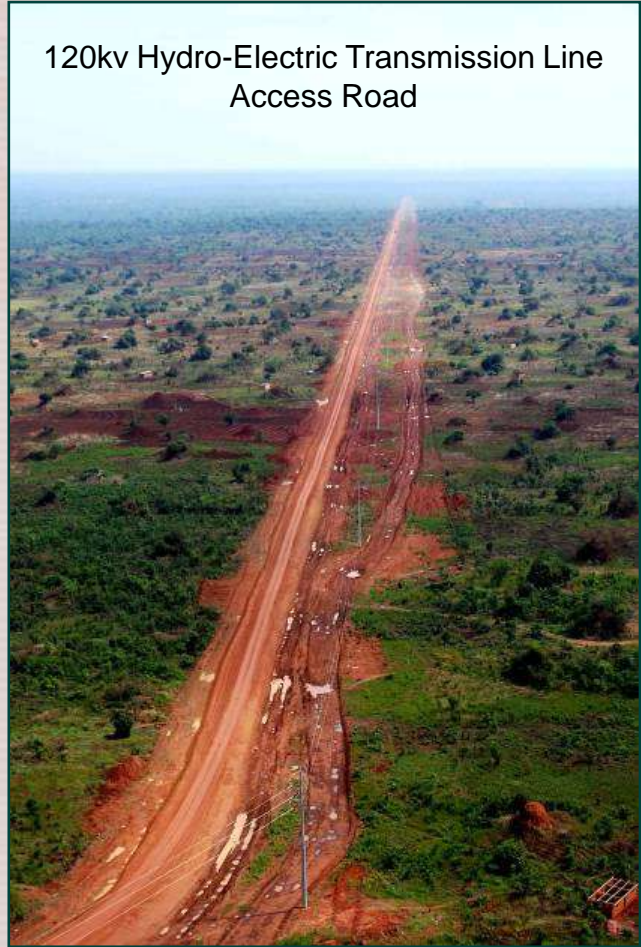
### Sayyadi Iro

Manager Agricultural & Community Projects



# Kinsevere Stage II Progress (May 2010)

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120kv Hydro-Electric Transmission Line  
Access Road



Thickening & CCD



Crushing



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# Social Programs

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Water Borehole Program - Kinsevere



Sponsorship - Soccer Team



Kawama Market Building



Paradigm School Bursary Program



Kilwa Clinic



Social Program - Agriculture



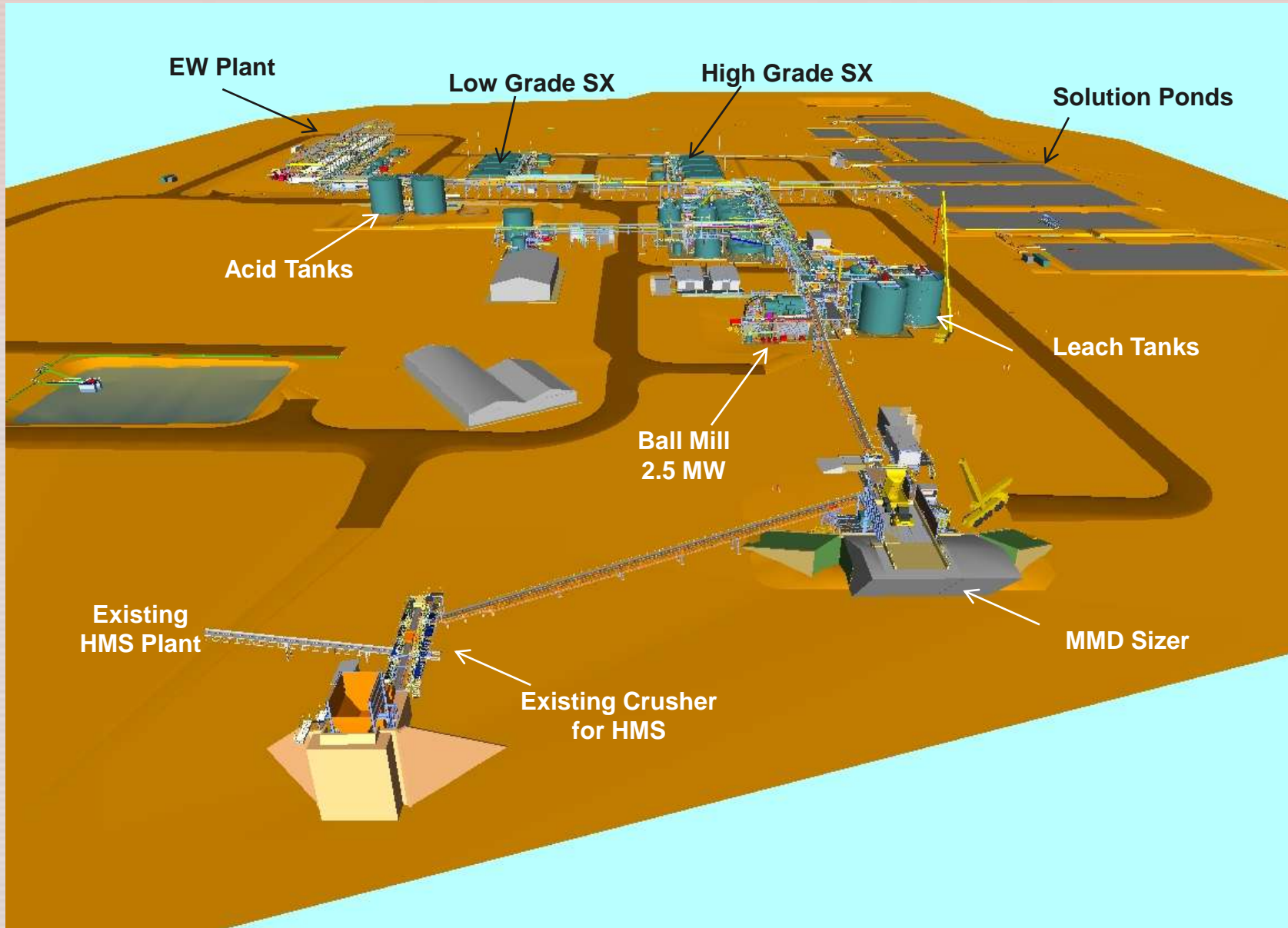
Lumekete School - 2006



New Armco bridge - 2004

# Kinsevere Stage II – Full Plant Viewed from Crushing

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# Kinsevere Stage II – Full Plant

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