



# MAWSON WEST LTD

## CORPORATE DETAILS

ASX Code: MWE



## CONTACT DETAILS

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**ASX**  
**RELEASE**

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**22 January 2009**

## **DRC MINING REVIEW**

Australian diversified minerals exploration company Mawson West (**ASX: MWE**) (“Mawson West” or “the company”) is exploring at the Katanga and Safari North copper prospects within the Kapulo Project Area with Anvil Mining. The Kapulo Project Area is covered by the Dikulushi Mining Convention. MWE is the operator and has completed expenditure to earn 65% of the project.

The company advises that Anvil has been formally notified by Gécamines and the DRC Government that the Dikulushi Mining Convention remains unchanged.

Refer to the attached release from Anvil.

Exploration of the Kapulo Project is continuing and results will be released in due course.

Mark Stowell  
Chairman

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### **About Mawson West**

Mawson West Ltd is a junior Western Australian based company, focused on the advanced Kapulo high-grade copper project in DRC/Zambia, and retains interest in several gold and iron ore properties in Western Australia.

### ***Kapulo:***

Mawson West is in a joint venture with Anvil Mining on the 5,500km<sup>2</sup> Kapulo project which straddles the border between Zambia and the DRC in Central Africa. The high-grade Kapulo copper deposits are located 130km NE of Anvil Mining’s operating high-grade copper/silver Dikulushi mine. Mawson West is the operator.

***Kalgoorlie: Golden Mile South project (GMS):***

Mawson West is in joint venture with ASX-listed St Barbara Limited (**SBM**) who are farming into Mawson's Golden Mile South Project, located 4km southeast of the 74Moz Kalgoorlie Super Pit in Western Australia.

The deal enables St Barbara to earn 51% for expending \$3M over three years, at which time MWE can elect to contribute and retain its remaining equity, or if not, then SBM can elect to spend a further \$2M over two years to earn a total of 70%.

Newmont Australia Investment Limited will provide any technical data it has on the Lakewood area - and is entitled to a royalty and has the right to buy a 40% interest in the joint venture in respect of that area by paying two times the total exploration expenditure.

**Midwest Iron Ore Projects**

Mawson West is actively involved in the Midwest iron ore region with substantial land holdings, all joint ventured out:

**Paynes Find JV- Mawson 25% diluting**

Prosperity Resources (ASX: PSP) Sampling results to 59.9% iron. PSP report that present indications show a potential exploration target size of approximately 50-60MT of prospective Direct Ship Ore. An RC drilling programme comprising 36 holes for 4,548m was completed at the Woolshed Prospect with the initial batch of iron analyses confirming significant intersections of magnetite. The drilling programme determined that mineralisation continues to at least 100 metres depth and has significant intersections with iron grades up to 46.7%

**Magnetite Range JV Mawson West 20% diluting Accent Resources (ASX: ACS) 80%**

This project lies adjacent to and along strike to the North of Mt Gibson and Iron Ore Holdings Extension Hill deposit. Recent drilling intercepted up to 70m true width magnetite mineralization at 35% Fe+ grades over 2km strike.

**Kiaby Well JV-Mawson 100% diluting to 40%**

**Silver Swan (ASX: SWN) sole funding to earn 60%**

This tenement was recently granted, and covers prospective nickel, gold and iron ore prospects. Work is in progress.

With close proximity to **Gindalbie Metals Ltd's** Karara Iron Ore deposits, **Mt Gibson Iron's** Extension Hill deposits and the existing road infrastructure, and future planned infrastructure, the prospectivity for Mawson West's interests in this area is significant.



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## News Release

FOR IMMEDIATE RELEASE

January 21, 2009

TSX, ASX: AVM

Common shares outstanding 71.2 million

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

### **Anvil Reaches Agreement with Gécamines and the DRC Government for the Kinsevere and the Dikulushi Properties**

**Montréal, Canada:** Anvil Mining Limited (TSX, ASX: AVM), (“Anvil” or the “Company”), today announced that it had reached agreement with La Générale des Carrières et des Mines (“Gécamines”) and the Government of the Democratic Republic of Congo (“DRC”) on the terms of its Kinsevere “Contrat d’Amodiation” (Lease Agreement) and the Dikulushi Mining Convention. The Company is in possession of an amendment agreement for the Kinsevere Lease Agreement, which has been signed by Anvil and Gécamines. In addition, the Company has been formally notified by Gécamines and the DRC Government that the Dikulushi Mining Convention (the “Convention”) remains unchanged.

Bill Turner, President and Chief Executive Officer of Anvil, commented, “We are satisfied with the outcome and believe that the amended agreement for Kinsevere and terms therein provide a solid base from which to further develop this project and to move forward with our partner Gécamines. Importantly, finalization of the agreement enables us to proceed with funding for the Stage II expansion of our flagship project at Kinsevere; a significant, high-grade copper resource with potential to increase in size.”

“Paul Fortin, Managing Director of Gécamines commented, “We are pleased to have been able to reach a satisfactory outcome with Anvil with respect to the Mining Review and this should now clear the way for Anvil to proceed with its Stage II development of Kinsevere. Anvil has been one of the pioneers in the DRC Copperbelt and we are keen to see our projects develop to their full potential with the help of this company.”

#### **Kinsevere Lease Agreement**

The Kinsevere mine is located in the Katanga Province in the south-east of the DRC, approximately 30 kilometres north of the provincial capital, Lubumbashi. The mineral rights to Kinsevere are held by Gécamines. AMCK Mining SPRL (“AMCK”), a special purpose joint venture company between Anvil (95%) and Mining Company Katanga SPRL (5%), a local, privately owned Congolese company, have a Lease Agreement with Gécamines to mine and process ore from the Kinsevere mine until 2024 followed by an automatic 15 year extension. The Company’s 95% interest in the Kinsevere Lease Agreement has not been amended.

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<b>people</b>	<b>mine</b>
<b>explore</b>	<b>grow</b>
<b>develop</b>	<b>sustain</b>

The key details of the amended Lease Agreement are set out below in Table 1.

**Table 1. Key amendments to the Kinsevere Lease Agreement**

<b>Term</b>	<b>Original Agreement</b>	<b>Amended Agreement</b>
Rent payments	Rent paid to Gécamines on a sliding scale, from a floor price of \$35 per tonne of copper at a LME copper price of \$2,200 per tonne (or \$1.00/lb copper) to a ceiling price of \$70 per tonne of copper at an LME copper price of \$4,000 per tonne (or \$1.80/lb copper) on each tonne of commercially viable copper metal extracted at Kinsevere.	Rent paid to Gécamines based on 2.5% of gross turnover.
Cash payments	A “pas de porte” (entry premium) payment of \$5 million of which \$1 million was paid in December 2005 and \$4 million was paid in January 2007.	An additional “pas de porte” (entry premium) payment of \$15 million is to be made, of which \$10 million is to be paid within six months of the amended agreement coming into effect and the balance within 12 months. <sup>1</sup>
Advisory committee	Nil.	An Advisory Committee, comprised of three members from Gécamines and three from AMCK, will be responsible for following the progress of the Kinsevere mine.
AMCK management	Nil.	Gécamines to have one member in the management of AMCK to fill such position as may be determined by AMCK.
Social development	Nil.	AMCK will continue the implementation of economic and social development programs for the benefit of the communities surrounding the Kinsevere mine.
Employment	Nil	AMCK has agreed to provide former Gécamines employees priority opportunities for employment provided they possess equivalent qualifications and capabilities.
Provision of services and materials	Nil.	AMCK has agreed to provide Gécamines with a preferential opportunity to supply AMCK with services and materials on commercially competitive terms.

In the event that Anvil arranges financing of \$125 million or more, the timing of payments will be revised such that \$10 million shall be paid within 14 days of the receipt of funds of such financing and \$5 million paid within six months of the date of payment of the \$10 million.



## **Dikulushi Mining Convention**

The Company has concluded discussions with Gécamines and the DRC Government regarding the Convention and the terms and conditions of the Convention have not changed. Under the Convention, which was signed by the DRC Minister of Mines, Minister of Finance and Minister of Plan & National Reconstruction on January 31, 1998, and ratified by Presidential Decree No. 60 on February 27, 1998, Anvil, through its 90% owned subsidiary Anvil Mining Congo SARL is guaranteed sole and exclusive rights for exploitation of the area governed by the Convention, for a minimum period of 20 years from the date of the issue of the tenure. The remaining 10% of the equity in the Dikulushi mine is held in trust by the Company for the economic, social and infrastructure development of the Dikulushi region.

Since commencement of operations in 2004, the Company has invested approximately \$18 million in various social programs and infrastructure developments in the Dikulushi region.

While the terms and conditions of the Convention have remained unchanged, Anvil has agreed to revise the trust structure under which the surrounding communities' interests in the Dikulushi mine are held, in order to provide for more direct involvement of DRC authorities and the local communities, in the implementation of social and economic development programs.

Bill Turner further commented, "Dikulushi was the Company's first mine in the DRC. Negotiation of the Dikulushi Mining Convention and development of the Dikulushi mine were undertaken during an especially difficult period in the DRC's history and we are pleased that the DRC Government has upheld the terms and conditions of the Convention."

## **Mutoshi Joint Venture Agreement**

Discussions with Gécamines to complete an amended Mutoshi Joint Venture Agreement continue to progress, using as a basis, the commercial terms agreed with Gécamines and the DRC Government in October 2008. The Company is confident that a satisfactory agreement can be reached with its joint venture partner Gécamines.

Anvil Mining Limited is an unhedged copper and silver producer whose shares are listed for trading on the Toronto Stock Exchange (as common shares) and the Australian Securities Exchange (as CDIs) under the symbol AVM.

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**Caution Regarding Forward Looking Statements:** *The forward-looking statements made in this news release are based on management's assumptions and judgments regarding future events and results. Such forward-looking statements, including but not limited to those with respect to the Company's plans for expansion of the Kinsevere copper mine involve known and unknown risks, uncertainties and other factors which may cause the Company's actual results, performance or achievements to be materially different from any anticipated future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, the actual market prices of copper, changes in project parameters as plans continue to be evaluated, and the possibility of cost overruns, as well as those factors disclosed in the Company's filed documents. There can be no assurance that the Stage II expansion of the Kinsevere copper mine will proceed as planned or be successfully completed within expected time limits and budgets or that, when completed, the expanded facility will operate as anticipated. In addition, no assurance can be given as to the outcome of any discussions and negotiations with Gécamines and the DRC Government regarding the Company's Mutoshi property or that Anvil's security of tenure and its ability to secure additional financing in the future may not be adversely affected so as to have a material adverse effect on its business, operating results and financial position.*