



Navina Asset Management Endorses Anaconda's Bid for New Island Resources

June 18, 2010

TORONTO – Anaconda Mining Inc. (“Anaconda”) (TSX: ANX) is pleased to announce that Navina Asset Management (“Navina”) endorses Anaconda’s bid for New Island Resources (“New Island”) (TSXV: NIS) (See Anaconda press release June 11, 2010).

Today, Navina issued a press release which reports that it acquired ownership of 3,048,000 shares of New Island Resources Inc., representing approximately 6.45% of New Island's total outstanding shares, on behalf of funds that it manages and that it supports the offer from Anaconda Mining Inc., to acquire all of the outstanding shares of New Island.

As stated in their release, Navina Asset Management believes that a combined Anaconda and New Island represents the ideal outcome for shareholders of New Island for the following reasons:

1. Superior assets - the combined entity will own 100% of the Pine Cove Gold Mine and a promising portfolio of iron ore assets
2. Maximum synergies - a merger with Anaconda maximizes the value of the Pine Cove Gold Mine asset and minimizes costs
3. Compelling growth - the combined entity will have the management depth and access to capital required to capitalize on the value of its existing and future potential assets

Navina CEO Ravi Sood said, "We at Navina Asset Management are committed to maximizing the value of our investments. We believe in the value of the Pine Cove gold mine and that owning 100% of this mine through owning shares in a combined Anaconda and New Island is a compelling investment for our clients. Anaconda management has significantly expanded its management strength in the past year and now has a world-class team ideally suited to operate the Pine Cove Gold Mine and maximize shareholder value for this asset. By tendering to the Anaconda bid New Island shareholders will also gain exposure to Anaconda's portfolio of iron ore assets in Chile which we believe to possess significant latent value. We are optimistic that this value will be unlocked in the future and that this could translate to substantial value creation for shareholders. We believe value will be maximized for New Island shareholders if they are allowed to determine the future of their company unencumbered by any unnecessary costs or economic disincentives meant to favour one transaction over another. We strongly encourage the management of New Island and Anaconda to conclude a friendly merger transaction in the interest of minimizing costs and maximizing shareholder value."

ABOUT ANACONDA

Anaconda is a Toronto, Canada based mining development and exploration company focused on advancing its principal assets, the Pine Cove Gold Mine in Canada and its portfolio of Chilean



iron ore assets. Anaconda is committed to bringing the Pine Cove Gold Mine into full Commercial Production, as well as advancing the exploration and near-term production opportunities of its Chilean iron ore assets. Anaconda continues to evaluate strategies to ‘unlock’ value attributable to its Chilean iron portfolio for the benefit of its shareholders.

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FORWARD-LOOKING INFORMATION

This news release contains certain “forward-looking information” under applicable Canadian securities laws. Except for statements of historical fact, certain information contained herein constitutes forward-looking information. Forward-looking information is often characterized by words such as “plan,” “expect,” “project,” “intend,” “believe,” “anticipate”, “estimate” and other similar words, or statements that certain events or conditions “may” or “will” occur. Forward-looking information is based on the opinions and estimates of management at the date the statements are made, and are based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward-looking information. Assumptions upon which such forward-looking information is based include Anaconda’s ability to acquire 100% of the New Island common shares and the benefits that may be obtained as a result of the business combination of the two companies. Many of these assumptions are based on factors and events that are not within the control of Anaconda and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward-looking information include changes in market conditions, variations in ore grade or recovery rates, risks relating to international operations, fluctuating prices and currency exchange rates, changes in project parameters, the possibility of project cost overruns or unanticipated costs and expenses, labour disputes and other risks of the mining industry, failure of plant, equipment or processes to operate as anticipated, the business of New Island and Anaconda not being integrated successfully or such integration proving more difficult, time consuming or costly than expected as well as those risk factors discussed or referred to in the Annual Information Form for Anaconda filed with securities regulatory authorities and available at www.sedar.com. Although Anaconda has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. 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 statements. Anaconda undertakes no obligation to update forward-looking information if circumstances or management’s estimates or opinions should change, except as



required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.