



Anaconda and New Island Settle Arbitration Claim

June 2, 2010

TORONTO – Anaconda Mining Inc. (“Anaconda”) (TSX: ANX), and New Island Resources Inc. (“New Island”) (TSXV: NIS), are pleased to announce that they have resolved the Arbitration commenced by New Island with respect to the interpretation of the Custom milling Agreement.

Lew Lawrick, President and CEO of Anaconda stated, “The resolution of the arbitration was on mutually acceptable terms which are in the best interests of both parties. Anaconda looks forward to the completion of the Pine Cove redevelopment project with commissioning on schedule for later this month.”

Harold Wareham, President and CEO of New Island stated, “New Island is pleased to have the matter settled and looks forward to the start-up of Commercial Production at Pine Cove in the near term.”

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Certain statements contained herein constitute "forward-looking statements". These forward- looking statements are based on current expectations. Additionally, forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as "plans," "may," "estimates," "expects," "indicates," "targeting," "potential" and similar expressions. These forward-looking statements, including statements regarding the Company's beliefs in the potential mineralization, are based on current expectations and entail various risks and uncertainties. Actual results may materially differ from expectations as more information regarding the property is gathered or if known and unknown risks or uncertainties affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. The Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.