



ANACONDA EXTENDS MATURITY DATE ON THE PINE COVE GOLD MINE CREDIT FACILITY

April 3, 2008

FOR IMMEDIATE RELEASE

TORONTO – Anaconda Mining Inc. (“Anaconda” or the “Company”) (TSX:ANX) announces that the Company and Auramet Trading, LLC (collectively the “Parties”) have agreed to an extension of the maturity date of the credit facility regarding the development of Anaconda’s Pine Cove Gold Mine, located in Baie Verte, Newfoundland and Labrador. As at March 31, 2008, Anaconda had repaid, as per schedule, US\$1.5 million of the outstanding original principal amount of US\$2.5 million of the facility, leaving an outstanding balance of US\$1 million. The maturity date of the outstanding balance has been extended from March 31, 2008 to May 31, 2008.

Lewis Lawrick, President and CEO of Anaconda comments, “Construction at Pine Cove commenced in June 2007 and despite minor delays in the construction and commissioning schedule over this past, severe winter at Pine Cove, gold production is imminent. As such, and in line with our financial management practices, we have extended repayment of the final balance of principal on this facility to coincide with cash flow from mining operations.” All other terms of the original credit facility remain in effect, including the conversion feature.

Final commissioning of the Pine Cove mill facilities is now underway; the front end of the plant including crushers, surge bin, stacker, reclaim and concentrator has been fully commissioned. Wet commissioning associated with the remainder of the plant is ongoing to be followed by solids commissioning. Gold processing is therefore scheduled to commence mid-month. In anticipation thereof, the company is currently hiring additional employees to fulfill production roles within the plant.

As previously announced on March 19, 2008, upon commencement of commercial production at the Pine Cove Mine, Anaconda will have satisfied all obligations to earn its 60% interest in the Pine Cove joint venture from New Island Resources Inc. (TSXV:NIS) (“New Island”). New Island will retain a 40% interest in the Pine Cove Mining Project. Anaconda will earn 100% of project cash flow until repayment of capital expenditures is completed. Under the terms of the joint venture agreement, Anaconda will also receive a 5% management fee over the life of the mine.

About Anaconda Mining

Anaconda is a Toronto, Canada based mining company with a portfolio of advanced-stage exploration projects in Canada and South America. The diversified portfolio is supported by near-term cash flow from the Pine Cove gold mine in Newfoundland and Labrador, which is

targeted for production in the spring of 2008. The Company is presently focused on the San Gabriel Iron Project in Chile, where it has identified several zones of magnetite-iron mineralization. It is advantageously located close to road, rail, electricity and deep-sea port facilities. The Company plans to continue to aggressively explore this project to evaluate its potential to host economic concentrations of iron mineralization. The Company is actively pursuing new opportunities to compliment its existing portfolio.

For additional information, please contact:

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Certain statements contained herein constitute "forward-looking statements". These forward-looking statements are based on current expectations. The nature, timing and extent of the exploration programs and gold production at Pine Cove may materially change from current intentions for a number of reasons. 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. Information concerning the interpretation of drill results also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present if and when a project is actually developed. These forward-looking statements 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. Subject to applicable laws, 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.

The TSX has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.