



**January 15, 2008**

**FOR IMMEDIATE RELEASE**

**TORONTO** – Anaconda Mining Inc. (“Anaconda or the “Company”) – (TSX - ANX); (FRANKFURT - GJ2) is pleased to report its results as at and for the 6 months ended November 30, 2007. All amounts are in Canadian dollars unless stated otherwise.

**HIGHLIGHTS**

***Financial***

- As at November 30, 2007, the Company had total assets of \$22.2 million including cash and cash equivalents of \$4.6 million of which \$987,000 is restricted as a result of various balances on deposit with the Company’s financial institution in Chile.
- No operating revenues during the 6 months ended November 30, 2007 as the Company continues to focus on exploration activities with regard to its Canadian and Chilean projects.
- Consolidated loss for the period was \$1.9 million. The loss included expenditures of \$2.4 million offset by interest income of \$125,000 and translation gains of \$432,000. This compares with a loss of \$176,000 comprised of expenditures of \$134,000, translation losses of \$45,000 offset by interest income of \$3,000 for 2006.
- Cash utilized during the period was \$5.4 million. Cash utilized for the 6-month period was comprised of cash flow used for operating activities of \$1.4 million, used for financing activities of \$398,000 and used for investing activities of \$3.6 million.

***Operational***

- ***Inca de Oro Sur (formerly known as Carmen):***  
On December 5<sup>th</sup>, the Company reported that Peñoles had started a 12,000-metre drilling program totaling 30 holes at the Inca de Oro Sur copper-gold project. The drill program will focus on the exploration of the project with the objective of defining a larger threshold economic mining opportunity during the four-year exploration program. During the first year, in addition to drilling, Peñoles is to commence the initiation of environmental base-line studies, ground geophysical surveys including magnetic and induced polarization, property-wide geochemical sampling and preliminary metallurgical test work.
- ***Pine Cove:***  
The mill process plant is now totally enclosed with all of the major components installed. Mechanical and electrical fabrication is ongoing relating to the installation of the crushers, ball mill, thickener & leach, merrill-crowe and tailing treatment. Construction of the tailing management facility is progressing with the excavation of organics to prepare for actual dam construction.

Construction of permanent office facilities, within the mill building, is progressing well, with occupancy scheduled for late January 2008. The power line contractor has substantially completed pole installation with the installation of cross-arms and conductors scheduled for late January. Energizing of this line by the end of January remains the current schedule.

- **San Gabriel:**

Drilling at this iron ore project located 1,000 km north of Santiago, Chile has intersected high-grading iron mineralization. Hole RSGA-05, one of five holes completed on a magnetic anomaly, intersected 62 m grading 42% iron. This intersection included a higher grading 22 m interval assaying 62.17% iron. A second hole, RSGA-04 returned 84 m grading 35.3% iron including a 24 m interval assaying 52.4% iron. Full details of the results may be found in the Company's press release dated October 25, 2007.

John Cook, P.Eng., a designated Qualified Person as defined by NI 43-101 of the Canadian Securities Administrators, is responsible for reviewing the contents of this news release.

Anaconda Mining is an emerging gold producer with a portfolio of advanced stage projects in Chile and Canada.

*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 may materially change from current intentions for a number of reasons.*

*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.*

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