



ANACONDA MINING CLOSES PURCHASE OF DAMOTI LAKE PROJECT

May 11, 2007

FOR IMMEDIATE RELEASE

TORONTO – Anaconda Mining Inc. (TSX:ANX), (FRANKFURT:GJ2) (the "Company" or "Anaconda") announced today that it has completed its acquisition (the "Acquisition") of a 100% interest of the DAM 3 Mining Lease #3617 relating to the Damoti Lake Property in the Northwest Territories, and which hosts the Horseshoe Zone deposit and an 80% interest in all of the other leases and claims comprising the property.

The Acquisition was completed pursuant to the terms of a claim transfer agreement (the "Claim Transfer Agreement") made as of May 4, 2007 between Anaconda and Standard Mining Corporation (STD), a subsidiary of Doublestar Resources Inc.

Pursuant to the terms of the Claim Transfer Agreement and a letter agreement dated November 30, 2006 between Anaconda and STD which the Claim Transfer Agreement superseded, Anaconda paid to STD an aggregate of \$1,300,000 in cash and issued to STD 400,000 common shares of Anaconda (prior to the consolidation of Anaconda's common shares on a 2:1 basis on April 17, 2007).

STD maintains a 20% working interest on all other leases and claims comprising the Damoti Lake Property.

The Damoti Lake Property is located approximately 200 kilometers north of Yellowknife, Northwest Territories.

The Damoti Lake Property is an advanced stage high grade gold project and is partially developed by a decline ramp and two shallow levels at 25 m and 40 m. A National Instrument 43-101 resource estimate completed by Anaconda has estimated measured and indicated mineral resources of 40,600 tonnes grading 26.17 grams gold per tonne. Inferred resources total 17,800 tonnes grading 16.38 grams gold per tonne.

"The acquisition of a 100% interest in the high grade Damoti Lake gold project consolidates Anaconda's interest in a project with near-term production potential and excellent exploration potential," Lew Lawrick, Chairman and CEO of Anaconda said.

No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. The statements made in this press release may contain forward-looking statements that may involve a number of risks and uncertainties. Actual events or results could differ materially from the Company's expectations and projections.

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