



ANACONDA MINING ADVANCES PINE COVE GOLD MINE DEVELOPMENT

October 22, 2007

FOR IMMEDIATE RELEASE

TORONTO – Anaconda Mining Inc. (“Anaconda” or “the Company”) (ANX-TSX), (FRANKFURT:GJ2) is pleased to provide the following update of activities at its Pine Cove gold mine project near Baie Verte, Newfoundland.

Construction activities at Pine Cove, the newest gold mine in the Province of Newfoundland and Labrador, are continuing with the following highlights to the end of October 15.

- Main access road has been upgraded
- Mill floor foundations completed with key plant equipment installed
- Reagent storage and fabrication building completed
- Structural steel installation completed on mill building
- Construction of haul road from the open pit to the mill started
- Leach tank agitators installed

The Company anticipates that a substantial amount of the processing plant equipment will be completed during October. The latest pictures from the Pine Cove site development are available on Anaconda’s website at www.anacondamining.com

A new schedule of construction for the delivery of hydro power to the site has been submitted by Newfoundland and Labrador Hydro which now indicates energizing the power line by January 31, 2008. The Company and Newfoundland Hydro are working towards completion at an earlier date, but as a result of this new schedule, ore processing is now anticipated to start in late January, 2008.

Also on October 3, 2007, the Government of Newfoundland and Labrador granted Anaconda approval for its Development Plan and Financial Assurance Plan for the Pine Cove project.

Pine Cove hosts probable reserves of 2,332,676 tonnes grading 2.76 grams gold per tonne for 207,000 oz. of gold. Inferred resources total 66,700 tonnes grading 2.43 grams gold per tonne for 5,200 oz. of gold. The above reserves and resources were prepared utilizing a cut-off grade of 0.95 grams gold per tonne.

The reserve estimate was completed by independent mining consultants and Qualified Persons, as defined by NI 43-101, Eugene Puritch, P.Eng. and Dr. Wayne Ewert, P.Geo. of P&E Mining Consultants Inc. of Brampton, Ontario. (See Anaconda press release dated April 28, 2005 at www.anacondamining.com or at www.sedar.com)

Upon commencement of commercial production, Anaconda will have earned its 60% interest in the Pine Cove project from New Island Resources Inc. (NIS-TSXV), the Company's partner at Pine Cove.

The terms of the underlying agreement also provide Anaconda with 100% of all project cash flow until capital payback is achieved and certain sunk costs are recovered. In addition, as operator of the Pine Cove project, Anaconda will receive project management fees.

Anaconda Mining Inc. is an emerging gold producer with a portfolio of advanced stage exploration and development projects in Chile and Canada. For more information please visit our new website at: www.anacondamining.com

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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