KATANGA MINING LIMITED

March 31, 2007

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following discussion and analysis is management's assessment of the results of operations and financial condition of Katanga Mining Limited ("Katanga" or the "Company") and should be read in conjunction with its unaudited interim consolidated financial statements for the three months ended March 31, 2007 and its audited consolidated financial statements for the year ended December 31, 2006. The financial statements have been prepared in accordance with Canadian generally accepted accounting principles. ***All dollar amounts unless otherwise indicated are in United States dollars****. This information has been prepared as of May 11, 2007. Katanga's common share warrants and notes trade on the TSX Exchange under the symbols "KAT" "KAT.WT" and "KAT.NT" respectively. Its most recent filings are available on the System for Electronic Document Analysis and Retrieval ("SEDAR") and can be accessed through the internet at www.sedar.com.*

Background

Katanga is engaged in the acquisition and development of mineral properties and is currently focused on the refurbishment and rehabilitation of the Kamoto/Dima mining complex in the Democratic Republic of Congo.

On December 22, 2005, Katanga purchased a 23.33 percent ownership interest in Kinross Forrest Limited ("KFL") from Kinross Gold Corporation for CDN$5.45 million.

On June 27, 2006, the Company acquired the remaining shares, 76.67 %, of KFL which it did not own in exchange for its issuance of 35,001,500 common shares and a cash payment of $800,000. As a result of this transaction, the former shareholders of KFL acquired control of Katanga and this transaction has been accounted for as a reverse takeover ("RTO"). Under this basis of accounting, KFL has been deemed to be the acquirer and, accordingly, the Company is considered to be a continuation of KFL with the net assets of Katanga as of June 27, 2006 deemed to have been acquired by KFL.

1. Overview of Performance

Historical Activities

In prior years, Katanga's primary asset was a 10% net profit interest in the El Molino Project located in a historic gold mining area near Cajamarca in the Yanacocha mining district of northeastern Peru. The concession is owned by Northern Peru Copper Corp. The El Molino Project lies contiguous to the El Galino concession. Katanga and its Australian partner, AKD Ltd. ("AKD"), each owned a 50% interest in the El Molino Project. In 2004, Katanga and AKD agreed to sell their interest in the El Molino Project to Lumina Copper Corp. ("Lumina"). Lumina paid each partner cash consideration of $150,000 and a net profits interest of up to 10% depending on the timing of production from the concession. The net profits interest converted to a 0.5% Net Smelter Return royalty at the end of 2006. In May 2005 Lumina was restructured into four separate companies. The company that now holds the interest in the El Molino Project is Northern Peru Copper Corp.

Kamoto Joint Venture

In February 2004, KFL entered into a joint venture agreement (the "Kamoto Joint Venture Agreement") with La Générale des Carrières et des Mines ("Gécamines"), a state owned and operated mining enterprise of the Democratic Republic of Congo ("DRC"), to rehabilitate the Kamoto Joint Venture assets which include exploration and mining properties, the Kamoto concentrator, the Luilu metallurgical plant, the Kamoto underground mine and various oxide open pit resources in the Kolwezi district of the DRC (the "Kamoto Joint Venture Assets"). The Kamoto Joint Venture received the approval of the Conseil des Ministres du Government de Transition of the DRC (the Congolese Government) on July 15, 2005 and was publicly ratified by a presidential decree issued on August 4, 2005.

Katanga, through its subsidiary KFL, and Gécamines incorporated and organized a DRC company, known as Kamoto Copper Company SARL ("KCC"), to hold, redevelop, rehabilitate and operate the Kamoto Joint Venture Assets. KCC was formed and the first shareholders' meeting was held on October 17, 2005. KCC is owned 75% by KFL and 25% by Gécamines. KCC has a six person board, four members of which are nominees of KFL.

Gécamines has granted to KCC exclusive rights to take possession of and use all of the real and personal property constituting the Kamoto Joint Venture Assets. KCC must make lease payments to Gécamines equal to 2% of the net sales proceeds realized during the first three annual periods and 1.5% of the net sales proceeds realized during each annual period thereafter. Katanga must contribute the technical expertise and the necessary capital for the expansion of the Kamoto Joint Venture Assets. The capital is provided through interest bearing advances to KCC. It is anticipated that Katanga will receive repayment of the capital and interest thereon on a preferential basis.

On June 27, 2006 an official signing ceremony was held at the Kamoto mine site to commemorate the formation of the Kamoto Joint Venture and transfer of the Kamoto Joint Venture Assets from Gécamines to KCC.

Financings

Prior to the RTO transaction described above, on October 6, 2004, Katanga completed a private placement financing under which it raised gross proceeds of CDN$1.125 million by issuing 4.5 million units at a price of CDN$0.25 per unit. Each unit consisted of one Common Share and one-half of one Common Share purchase warrant. Each whole Common Share purchase warrant entitled the holder to acquire one additional Common Share at a price of CDN$0.35 per share until October 6, 2006.

On October 19, 2005 Katanga completed a private placement of 14 million subscription receipts of the Company, at a price of CDN$1.25 per subscription receipt for gross proceeds of CDN$17.5 million. Each subscription receipt entitled the holder to receive one Katanga share without payment of any additional consideration. The gross proceeds of the offering were held in escrow and were released to the Company on December 13, 2005 upon satisfaction of certain escrow release conditions. The Company paid the agents a commission equal to 6.0% of the gross proceeds of the offering. In addition, the Company issued to the agents compensation warrants to purchase in aggregate 560,000 Katanga shares. The compensation warrants were exercisable for 12 months following the closing of the offering at an exercise price of CDN$1.45 per share.

On May 2, 2006, the Company closed a financing (the "Katanga Financing") which included the exercise of the underwriters' option. The Company received aggregate gross proceeds of CDN$152,250,000. A total of 21,000,000 subscription receipts were issued at a price of CDN$7.25 per subscription receipt. Each subscription receipt entitled the holder to acquire one Katanga share without payment of further consideration. The gross proceeds of the offering less the estimated out-of-pocket costs and expenses of the underwriters were held in escrow and were released to the Company on June 27, 2006 upon satisfaction of certain escrow release conditions, including completion of the RTO. The Company paid the agents a commission equal to 5% of the gross proceeds of the offering.

On November 20, 2006, the Company completed an offering of units ("Units") in the aggregate amount of CDN $115,000,000 which included the exercise by the underwriters of their option to purchase an additional CDN $15,000,000 of Units. Each Unit consisted of a CDN $1,000 unsecured subordinated note ("Notes") and 40 common share purchase warrants ("Warrants"). The Notes will mature on November 30, 2013, with an annual interest rate of 14%. Interest payable on the Notes from November 20, 2006 to June 30, 2007 will be capitalized and is payable on maturity, with cash interest payments commencing January 1, 2008. Each Warrant entitles the holder to purchase one common share of the Company at anytime on or before November 20, 2011 at a price of CDN $8.50 per Common Share. The Notes and Warrants commenced trading on the TSX on November 20, 2006 under the symbols KAT.NT and KAT.WT, respectively.

The Company is using the net proceeds of both the Katanga Financing and the Unit Offering to continue the refurbishment and development of the Kamoto Joint Venture Assets and for general corporate purposes including working capital.

2. Selected Quarterly Information

Fiscal 2007 and 2006

	As at and for the Three Months Ended			
	March 2007	**December 2006**	**September 2006**	**June 2006**
Three Months Ended				
Interest income	$2,301,836	$2,046,612	$888,026	$ nil
Administrative expenses	$3,858,265	$2,468,275	$3,537,251	$ nil
Interest expense	$3,819,048	$1,551,868	$ nil	$ nil
Net loss	$5,435,439	$2,072,011	$2,649,225	$ nil
Loss per share	$0.07	$0.03	$0.03	$ nil
As at				
Current assets	$170,688,044	$201,688,958	$126,164,641	$131,565,963
Mineral interests and other assets	$78,344,826	$48,390,822	$18,959,585	$12,200,954
Total assets	$249,032,870	$250,079,780	$145,124,226	$143,766,917
Current liabilities	$12,131,031	$9,648,929	$3,978,148	$2,093,417
Debentures payable	$94,219,118	$93,496,963	$ nil	$ nil
Total liabilities	$106,350,149	$103,145,892	$3,978,148	$2,093,417
Cash dividends	$ nil	$ nil	$ nil	$ nil

Fiscal 2006 and 2005

	As at and for the Three Months Ended			
	March 2006	**December 2005**	**September 2005**	**June 2005**
Three Months Ended				
Interest income	$ nil	$ nil	$36	$ 58
Expenses	$ nil	$ nil	$15	$1,632
Net (loss)	$ nil	$ nil	$21	$(1,574)
Loss per share	$ nil	$ nil	$ nil	$ nil
As at				
Current assets	$424,422	$945,599	$81,183	$20,745
Mineral interests and other assets	$4,803,239	$2,643,932	$329,739	$51,959
Total assets	$5,227,661	$3,589,531	$410,922	$72,704
Current liabilities	$895,600	$1,088,584	$81,273	$82,472
Debentures payable	$ nil	$ nil	$ nil	$ nil
Total liabilities	$895,600	$1,088,584	$81,273	$82,472
Cash dividends	$ nil	$ nil	$ nil	$ nil

Review of Quarterly Operations

There was no activity in KFL prior to the fourth quarter of 2004. Quarterly expenses prior to second quarter of 2006 were limited, reflecting the low level of activity in KFL until the Option Agreement was signed and the feasibility study started in the third quarter of 2005. Payments of feasibility study costs totaled $2,383,932 in 2005 and $3,858,675, in 2006 and were included in mineral interests.

Following the official signing ceremony on June 27, 2006, Phase I redevelopment activities as defined in the feasibility study began. Initial activities included major clean-up work across the site, further engineering assessments and mobilization of over 1,700 employees. The redevelopment project is on track and costs of $33,318,993 were capitalized in mineral interests for the three months ended March 31, 2007 and an additional $1,673,931 was added to other property, plant and equipment.

3. Results of Operations

Through the date of the RTO, June 27, 2006, all expenditures by KFL continued to be made as part of the feasibility study and were funded by Katanga, thus the Company had no material operating results for the first six months of 2006.

Phase I implementation of the feasibility study continued in the first quarter ended March 31, 2007. Administrative expenses for the period were $3,858,265 which included a foreign exchange loss of $801,785. Administrative expenses mainly related to corporate activities. Additionally, $3,819,048 of interest expense was incurred related to the Notes. These expenses were offset by interest income of $2,301,836 earned in the period on cash balances from the Katanga Financing and Unit Offering. As a result, the net loss for the three months ended March 31, 2007 was $5,435,439. Expenses in the comparable period in 2006 were $nil, due to the Company's limited operations prior to entering into the Option Agreement, as described above.

4. Liquidity and Capital Resources

Katanga's working capital at March 31, 2007 was $158,557,013 (December 31, 2006 $192,040,029). The decrease in working capital is attributable to the continuing redevelopment of the mine site pursuant to the Phase 1 implementation of the feasibility study.

Katanga's historical working capital requirements consisted primarily of funding the feasibility study for the Kamoto Joint Venture Assets. The cost of this feasibility study was met from cash on hand. The feasibility study estimates expenditures for capital costs for Phase I of the rehabilitation of the Kamoto Joint Venture Assets of approximately $176 million and approximately $427 million for the entire redevelopment of the Kamoto Joint Venture Assets. Expenditures relating to Phase I have begun and are expected to be completed in calendar 2007. Additional financing will be required for the remaining three phases of the redevelopment of the Kamoto Joint Venture Assets. Katanga anticipates that the combination of the expenditures for the capital costs of Phase I and the working capital required to start-up production with the completion of the Phase I capital work will exhaust the Company's current cash resources during the fourth quarter of 2007.

In March 2007, the Company mandated three banks as lead arrangers to arrange and underwrite a total of $260 million in project financing ("the Facility") for its Kamoto Project. The Facility is expected to include a $100 million commercial bank tranche, a $100 million Export Credit Agency tranche and $60 million from Development Funding Agencies. Each of the banks has obtained approval to proceed on this basis, subject to satisfactory due diligence and documentation. It is expected that the Facility will close during the second quarter of 2007, will be available for drawdown in the third quarter of 2007 and will be sufficient to cover the additional financing requirements for the remaining three phases of the $427 million capital program to redevelop the Kamoto Joint Venture Assets. However, there is no assurance that Katanga will be successful in obtaining this financing as and when needed.

Katanga does not have any off-balance sheet arrangements.

5. Contractual Obligations and Commitments

The Company's outstanding debentures are due November 30, 2013. Interest on the debentures is payable semi-annually in arrears with equal installments on January 1 and July 1 of each year, with interest payable from the closing date to June 30, 2007 capitalized and payable on maturity and cash interest payments commencing January 1, 2008.

The Company is obligated under the terms of an operating lease for minimum annual rental payments of $1,000,705 for a period of five years, commencing September 19, 2006 with an option to renew for a further five years.

The $427 million capital program for the redevelopment is expected to be spent over the next four years. The initial phase is expected to be completed in 2007 and to cost $176 million. Phases, II, III and IV are estimated to be $96 million, $105 million and $50 million, respectively. Each of these phases is expected to last one calendar year beginning January 2008. Katanga has also entered into an engineering contract with a vendor for the design of two 400 tonne per day industrial copper concentrate roasters. The initial roaster to be built is part of Phase II of the redevelopment plan and the second roaster to be built is part of Phase III. The contract for the design of these roasters is for $2 million.

6. 2007 Outlook

Katanga expects to produce and ship copper by the end of 2007. The focus during the year will be to complete the capital program for Phase I of the rehabilitation of the Kamoto Joint Venture Assets estimated to cost $176 million. At the Kamoto underground mine, mining has already started on a small scale to train personnel before full production and create required stockpiles. Pre-stripping has also started at the Musonoie T-17 open pit mine.

Key milestones during the rest of 2007 include:

- July 2007 – Kamoto concentrator begins operation
- September 2007 – refining begins in the Luilu metallurgical plant
- December 2007 – first copper shipped

As part of the rehabilitation process, Katanga will also be focusing on building a site organization capable of safe, efficient and environmentally responsible operation of all mines and plants. A key overall component of this rehabilitation is the upgrading of the community services and infrastructure in and around our site.

Katanga expects to close and begin drawing from the Facility during 2007 which is expected to provide all of the necessary funds to complete all four phases of the estimated $427 million redevelopment of the Kamoto Joint Venture Assets.

7. Changes in Accounting Policies

On January 1, 2007, the Company adopted the following new accounting standards that were issued by the Canadian Institute of Chartered Accountants:

Handbook Section 1530, Comprehensive Income, Handbook Section 3251, Equity, Handbook Section 3855, Financial Instruments - Recognition and Measurement, and Handbook Section 3865, Hedges. The Company adopted these standards prospectively; accordingly comparative amounts for prior periods have not been restated.

Section 3855 prescribes when a financial instrument is to be recognized on the balance sheet and at what amount. It also specifies how financial instrument gains and losses are to be represented. This section requires that:

- All financial assets be measured at fair value on initial recognition and certain financial assets to be measured at fair value subsequent to initial recognition;
- All financial liabilities be measured at fair value if they are classified as held for trading purposes. Other financial liabilities are measured at amortized cost using the effective interest method;
- All derivative financial instruments be measured at fair value on the balance sheet, even when they are part of an effective hedging relationship.

Section 1530 introduces a new requirement to temporarily present certain gains and losses from changes in fair value outside net income. It includes unrealized gains and losses, such as: changes in the currency translation adjustment relating to self sustaining foreign operations; unrealized gains or losses on available for sale investments; and the effective portion of gains and losses on derivatives designated as cash flow hedges or hedges on the net investment in self sustaining foreign operations.

Section 3865 provides alternative treatments to section 3855 for entities which choose to designate qualifying transactions as hedges for accounting purposes. It replaces and expands on Accounting Guideline 13 “Hedging Relationships”, and the hedging guidance in Section 1650 “Foreign Currency Translation” by specifying how hedge accounting is applied and what disclosures are necessary when it is applied.

As a result of the adoption of the new standards, the Company has measured its accounts payable and accrued liabilities, restricted stock units and debentures payable at amortized cost and they are classified as other financial liabilities.

Upon adoption of Section 3855, the Company is using the effective interest method of amortization for transaction costs fees and discounts incurred relating to the debentures payable. The liability has been re-measured at the present value of future payments discounted at the effective interest rate in the instrument. Upon transition to the new standard, the Company has recorded an adjustment that eliminates the deferred financing cost asset, decreases debentures payable by $4,023,386 and increases opening deficit by $107,678.

8. Critical Accounting Estimates

Critical accounting estimates used in the preparation of the financial statements include Katanga's estimate of recoverable value on its investment in the redevelopment of the Kamoto Joint Venture Assets, fair value estimates for stock options and warrants, and estimated lives of depreciable assets. These estimates involve considerable judgment and are, or could be, affected by significant factors that are out of Katanga's control.

Katanga's recorded value of its mineral interests associated with the redevelopment of the Kamoto Joint Venture Assets is based on historical costs that are expected to be recovered in the future. Katanga's recoverability evaluation is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. Katanga is in an industry that is exposed to a number of risks and uncertainties, including political risk, exploration risk, development risk, commodity price risk, operating risk, ownership risk, funding risk, currency risk and environmental risk. Bearing these risks in mind, Katanga has assumed reasonable world commodity prices will be achievable, as will costs used in studies for projected construction and mining operations. All of these assumptions are potentially subject to significant change, which are out of Katanga's control, however such changes are not determinable. Accordingly, there is always the potential for a material adjustment to the value assigned to these assets.

The fair value of the stock options and warrants is calculated using an option pricing model that takes into account the exercise price, the expected life of the option/warrant, expected volatility of the underlying shares, expected dividend yield and the risk free interest rate for the term of the option.

9. Outstanding Share Data

Summary of Outstanding Securities

(a) Authorized: 1,000 common shares, par value $12.00 each, and 100,000,000 common shares, par value $0.10 each.

(b) Issued:

	Number of Shares
Opening – December 31, 2005	20,163,475
Exercise of warrants	1,747,500
Issued for cash	21,000,000
Exercise of options	125,000
Common share adjustment	1
Shares issued to acquire KFL	35,001,500
Balance – December 31, 2006	78,037,476
Exercise of options	50,000
Balance – May 11, 2007	78,087,476

Stock Options

The Company has a stock option plan under which stock options may be granted to the Company's directors, senior officers, employees, consultants and consultant companies. The stock option plan: (a) provides that the number of common shares reserved for issuance, within a one year period, to any one optionee, shall not exceed 5% of the outstanding common shares; (b) provides the maximum number of common shares reserved for issuance pursuant to options granted to insiders may not exceed 10%; (c) generally provides for a maximum vesting period of 18 months; (d) contains other provisions to ensure the stock option plan is compliant with stock exchange regulations.

On January 18, 2006 the Company granted an aggregate of 205,000 options, of which all were granted to directors and officers. The options are exercisable at CDN$4.10 and will expire on January 17, 2011. On April 19, 2006, the Company granted an aggregate of 850,000 options of which all were granted to officers. The options are exercisable at CDN$7.40 and will expire on April 18, 2011. On July 7, 2006, the Company granted an aggregate of 400,000 options, all of which were granted to directors which are exercisable at CDN$6.15. On July 10, 2006, the Company granted 185,000 options all of which were granted to an officer and the options are exercisable at CDN$6.00. On December 18, 2006, the Company granted an aggregate of 675,000 options to an officer and employees at an exercise price of CDN$7.30 which will expire December 17, 2011. In January 2007, the Company granted an aggregate of 125,000 options to employees and a consultant of the Company at exercise prices ranging from CDN$6.61 to CDN$7.20 for a period of five years.

The Company has requested its shareholders, at the upcoming annual meeting of shareholders which is scheduled to take place May 10, 2007, to approve certain amendments to its stock option plan. The proposed amendments will (i) modify the Stock Option Plan to be consistent with the policies of the Toronto Stock Exchange (the "TSX"), (ii) change the method by which the directors fix the exercise price of options granted pursuant to the Stock Option Plan such that the minimum exercise price will be the volume weighted average trading price of the Common Shares on the TSX for the five (5) trading days immediately preceding the relevant date, (iii) change the Stock Option Plan from a "rolling plan" to a "fixed number plan" and limit the maximum number of Options that can be granted under the Stock Option Plan to 3,500,000 Options, (iv) permit the directors to make amendments to the Stock Option Plan that, in their sole judgment are required, without obtaining the approval of the shareholders of the Company, except for (a) reductions in the exercise price of Options granted to insiders of the Company, (b) amendments to the maximum number of Options that can be granted under the Stock Option Plan to acquire Common Shares, and (c) amendments to extend the terms of outstanding Options granted pursuant to the Stock Option Plan and (v) automatically extend the expiry date of options that expire during a Company imposed black-out period.

10. Other Information

Material Transactions

There were no material transactions during the period, other than as described herein.

Use of Financial Instruments

Katanga has not entered into any specialized financial agreements to minimize its investment risk, currency risk or commodity risk. The principal financial instrument affecting Katanga's financial condition and results of operation is currently its cash and cash equivalents and the debentures payable.

Related Party Transactions

Kamoto Operating Limited ("KOL"), a company incorporated pursuant to the laws of the DRC, has been appointed to act as the operator of the Kamoto project pursuant to the Kamoto Joint Venture Agreement and an operating agreement ("Operating Agreement") between KOL and the Company's subsidiary, KCC, executed on November 2, 2005. Current shareholders and directors of the Company are owners of KOL. The Operating Agreement establishes the terms and conditions pursuant to which KOL as operator will provide services to KCC in the planning and conduct of exploration, development, mining, processing and related operations with respect to the Kamoto Joint Venture Assets, including a management fee to be provided to KOL. During the three months ended March 31, 2007, management fees totaling $856,498 (2006 - $nil) were incurred and accrued to KOL. These fees have been capitalized to mineral interests.

During the three months ended March 31, 2007, the Company engaged an entity owned by one of its directors for the sourcing and provision of goods and services including airplanes, construction and other resources. The total paid for these services was $465,936 (2006 - $nil).

KOL, on behalf of KCC, entered into an agreement for the mining of one of its open pit ore bodies with an entity owned by one of its directors. The mining commenced in April 2007 and is expected to continue through 2011. A mobilization fee of $2,520,000 was paid during the year ended December 31, 2006.

Other than these transactions, Katanga has not had any transactions with related parties during the three months ended March 31, 2007.

Disclosure Controls

The Company's certifying officers have designed a system of disclosure controls and procedures to provide reasonable assurance that material information relating to the Company is made known to them with respect to financial and operational. The certifying officers have evaluated the effectiveness of the disclosure controls and procedures as of March 31, 2007 and have concluded that these disclosure controls and procedures are effective at the reasonable assurance level. The management of the Company was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. The result of the inherent limitations in all control systems means no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected.

The Company hired an internal auditor in November 2006 in order to put more emphasis on its internal controls. During the first three months of 2007 the Company enhanced its internal controls over financial reporting as it expanded its operations, and is continuing to do so in anticipation of initial production.

Risk Factors

Katanga is in the development stage and is subject to the risks and challenges similar to other companies in a comparable stage of development. The risks include, but are not limited to, limited operating history, speculative nature of mineral exploration and development activities, operating hazards and risks, mining risks and insurance, foreign operations, environmental and other regulatory requirements, competition, stage of development, fluctuations in commodity prices, currency risk, conflicts of interest, reliance on key individuals and enforcement of civil liabilities.

There are risks specific to Katanga, including: the fluctuations in metal prices as Katanga does not at present hedge metal prices; the provision of power to the project; improvement in the rail and roads is not guaranteed and may impact the delivery of materials into the site and the ability to timely sell the metal production; Katanga's ability to complete the Facility; Katanga's operations and activities are subject to environmental risks; Katanga is subject to international operations and regulatory risks, specifically the political stability of the Democratic Republic of Congo; and HIV/AIDS and other infectious diseases may have a negative effect on the work force and increase medical costs.

The Company's risk factors are discussed in detail in the Company's AIF which are available on SEDAR at www.sedar.com and should be reviewed in conjunction with this document.

Forward Looking Statements

This annual report may contain forward-looking statements, including predictions, projections and forecasts. Forward-looking statements include, but are not limited to, statements with respect to exploration results, the future price of copper, the estimation of mineral reserves and resources, the realization of mineral reserve and resource estimates, the timing and amount of estimated future production, costs of production, anticipated budgets and exploration expenditures, capital expenditures, costs and timing of the development of new deposits, the success of exploration activities generally, permitting time lines, currency fluctuations, requirements for additional capital, government regulation of exploration and mining operations, environmental risks, unanticipated reclamation expenses, title disputes or claims, limitations on insurance coverage and the timing and possible outcome of any pending litigation. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects” or “does not expect”, “is expected”, "budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or describes a “goal”, or variation of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, the actual results of current exploration activities; actual results and interpretation of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of copper and cobalt; possible variations in ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of exploration, development or construction activities, as well as those factors disclosed in the company's publicly filed documents. Although Katanga has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.