

KATANGA FEASIBILITY STUDY

TORONTO, April 11, 2006 - **Katanga Mining Limited** (TSX-V: **KAT**) (“Katanga”) Katanga today announced the completion of an independent feasibility study on the Kamoto Mine located near Kolwezi in the Democratic Republic of Congo. Rights to the Kamoto Mine are held by the Kamoto Joint Venture. Katanga owns 23.3% of the outstanding shares of Kinross Forrest Limited (“KFL”) and holds an option to purchase the balance of the outstanding shares of KFL, the owner of a 75% interest in the Kamoto Joint Venture. The other 25% of the Kamoto Joint Venture is owned by La Générale des Carrières et des Mines (“Gécamines”).

The report encompasses the Joint Venture’s first 20 years of production from proven and probable reserves as defined by National Instrument 43-101. The project’s robust economics are based on a sustained average copper output of 122,300 tonnes per year and associated cobalt output of 6,400 tonnes per year. Using a copper price of US\$1.10 per pound and a cobalt price of US\$10.00 per pound the feasibility study shows the base case has a present value of US\$649 million and an internal rate of return of 25.5% when financing all capital costs at an interest rate of 8.5% and applying a discount rate of 6.0% to the resulting net-cash flow.

The independent feasibility study, dated March 2006, was prepared for Katanga by HATCH & Associates and was based in part on a pre-feasibility study that was completed by HATCH in 2003. The feasibility study confirms the proposed approach of a phased re-development, and restoration of economically viable operations within a very short time with low capital costs relative to the restored production capacity. The re-establishment of operations at the Kamoto Mine is based on a phased approach over a four year period which was determined after HATCH had the opportunity to assess the condition of the plant, the capacity constraints of the facilities and the condition of the mines. The study demonstrates that the project achieves positive cash flow after year 3 and is capable of returning all development capital after its 7th year.

The following are the key parameters and assumptions by HATCH in the financial base case scenario:

- Evaluation Period – 20 years
- Phase 1 through 4 capital expenditures – US\$426.7 million (+20% to -10%)
- Sustaining capital expenditures – US\$231.3 million
- copper production – 2.16 million tonnes (4,758 million lbs.)
- cobalt production – 0.109 million tonnes (250 million lbs.)
- operating costs – US\$0.74 per lb. of copper (0.21 per lb. of copper net of cobalt credits)

- Transport & Market – US\$0.16 per lb. of copper (net of cobalt credits)
- Royalty and lease expenses – US\$0.05 per lb. of copper (net of cobalt credits)
- Copper revenue – US\$1.10 per lb.
- Cobalt revenue – US\$10.00 per lb.

The more than 1,500 page HATCH report included the following observations:

The Kamoto Mine requires only limited work to restore production. A new trackless equipment fleet is to be purchased. The existing pumping infrastructure will be upgraded and new ventilation fans will be installed. Limited maintenance of the remaining infrastructure is required. Mining can begin almost immediately once the equipment arrives on site. Mining will be a combination of the historical room and pillar system and newly introduced longhole retreat stoping. The use of longhole retreat stoping will increase resource recovery to an estimated 80%, as well as improve operational flexibility. Backfill plants will be required to carry out this mining system.

The open pits will be mined to provide oxide ore. Production will begin in the Musonoie-T17 West pit and will continue there for approximately three years while the Mashamba East pit is being dewatered and prepared for mining. Open pit mining will also be carried out in both Mashamba West and Dikuluwe in later years. Open pit mining will be carried out by a contractor.

The Kamoto Concentrator is currently operating on a limited basis as ore becomes available. Initial work will consist of general maintenance to the plant and mills. Over time the concentrator will continue to be upgraded as production increases. Beginning in phase 3, and continuing to the beginning of phase 4, new floatation cells will be added to the circuit. The Luilu metallurgical plant will undergo refurbishment to restore it to a reliable operating state. The plant flow sheet will be retained, however new filter technology and two new roasters will be added to the plant during the different phases.

A substantial resource exists within the Kamoto Mine, and an early drilling program is planned to upgrade high-grade Resources in this area with the expectation that beneficial modifications to the current mine plan will follow with more information. The property also hosts several high quality exploration targets that will be evaluated after operations resume.

The Kamoto Joint Venture property's mineral Reserves and Resources as of March 28, 2006 are as follows:

Kamoto Mineral Reserve Estimate – Open Pits

Classification	Ore Tonnes (000s)	Copper Grade %	Contained Copper Tonnes (000's)	Cobalt Grade %	Contained Cobalt Tonnes (000s)
Proven Mineral Reserves	37,168	3.23%	1,199	0.26%	96
Probable Mineral Reserves	10,430	3.08%	322	0.27%	28
Proven and Probable Reserves	47,598	3.20%	1,521	0.26%	124

Note: Mineral reserves are in addition to mineral resources. The cut-off grade for copper is 2.16% for the T17 pit and 2.14% for the DIMA pits and for cobalt is 0.47% for the T17 pit and the DIMA pit.

Kamoto Mineral Reserve Estimate – Underground

Classification	Ore Tonnes (000s)	Copper Grade %	Contained Copper Tonnes (000's)	Cobalt Grade %	Contained Cobalt Tonnes (000s)
Proven Mineral Reserves	37,466	3.10%	1,160	0.40%	148
Probable Mineral Reserves	8,101	3.05%	247	0.38%	31
Proven and Probable Reserves	45,568	3.09%	1,407	0.39%	179

Note: Mineral reserves are in addition to mineral resources. The cut-off grade for copper is 2.52% and for cobalt is 0.51%.

Kamoto Mineral Resource Estimate – Open Pits

Classification	Ore Tonnes (000s)	Copper Grade %	Contained Copper Tonnes (000's)	Cobalt Grade %	Contained Cobalt Tonnes (000s)
Measured Mineral Resources	33,564	311%	1,044	0.38%	127
Indicated Mineral Resources	12,925	3.18%	412	0.35%	45
Total Measured and Indicated	46,489	3.13%	1,456	0.37%	172

Mineral Resources					
Inferred Mineral Resources	17,493	3.41%	596	0.32%	56

Note: Mineral resources are exclusive of mineral reserves. The cut-off grade for copper is 1.83% for the T17 pit and 1.87% for the DIMA pits and for cobalt is 0.47% for the T17 pit and the DIMA pit.

Kamoto Mineral Resource Estimate – Underground

Classification	Ore Tonnes (000s)	Copper Grade %	Contained Copper Tonnes (000's)	Cobalt Grade %	Contained Cobalt Tonnes (000s)
Measured Mineral Resources - Available	19,355	3.80%	736	0.52%	101
Indicated Mineral Resources - Available	5,593	4.33%	242	0.35%	19
Sub Total Measured and Indicated Mineral Resources - Available	24,948	3.92%	978	0.48%	121
Inferred Mineral Resources - Available	12,202	4.95%	603	0.16%	20
Measured Mineral Resources – In Pillars	206	4.22%	9	0.36%	1
Indicated Mineral Resources - In Pillars	961	4.81%	46	0.23%	2
Sub Total Measured and Indicated Mineral Resources – In Pillars	1,167	4.71%	55	0.25%	3
Inferred Mineral Resources – In Pillars	2,577	4.97%	128	0.16%	4
Measured Mineral Resources – Total	19,561	3.81%	745	0.52%	102
Indicated Minerals Resources – Total	6,555	4.40%	288	0.33%	22
Total Measured and Indicated Mineral Resources	26,116	3.96%	1,033	0.47%	124

Inferred Mineral Resources – Total	14,778	4.95%	732	0.16%	24
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Note: Mineral resources are exclusive of mineral reserves. The cut-off grade for copper is 2.14% and for cobalt is 0.51%.

Based on past mining practices and current economic conditions, the pillar resource is deemed to be economically extractable toward the end of life of mine, subject to a full geotechnical investigation which will be addressed in the final design phase, after which any possible changes to the pillar resource stated will be evaluated and publicly disclosed if deemed material.

The feasibility study utilized the following total recoveries:

	<u>Phase 1</u>		<u>Phase 2</u>	
	Copper	Cobalt	Copper	Cobalt
Sulphide Ore	81.2%	44.2%	81.6%	43.2%
Oxide Ore	68.3%	31.1%	70.3%	29.9%
Dolomitic Ore	63.4%	12.3%	63.1%	11.8%

The project calls for two distinct phases of capital infusion. The first phase relates to the four-year build to a sustainable production capacity. The second phase consists of ongoing capital replacement costs and lasts through year 16.

The capital costs (in thousands of USD) for the initial four-year production build to a sustainable production capacity phase are summarized as follows:

Area	Total	Phase 1	Phase 2	Phase 3	Phase 4
Kamoto Mine	80,377	31,683	20,158	16,338	12,158
Open Pits	\$14,611	\$13,161	\$1,150	\$150	\$150
Kamoto Concentrator	\$55,216	\$23,492	\$9,835	\$14,703	\$7,185
Luilu	\$150,098	\$38,772	\$44,322	\$50,368	\$16,635
Infrastructure	\$23,634	\$18,018	\$1,662	\$3,201	\$754
Indirect Costs	\$54,318	\$30,928	\$8,421	\$7,334	\$7,635
Contingency	\$48,572	\$19,504	\$10,972	\$12,486	\$5,611
Total	USD426,786	USD175,558	USD96,522	USD104,579	USD50,128

Replacement and ongoing capital requirements for the life-of-mine analysis period (in thousands of USD) are as follows:

Area	Total
Underground Mine	USD103,017
Concentrator	\$30,486
Hydro-Metallurgical	\$79,310
General & Administration	\$2,450
Dewatering	\$16,000
Total	USD231,263

Over the analyzed 20- year period site operating costs are as follows:

	Phase 1	Phase 2	Phase 3	Phase 4	Average
Tonnes (t) Copper	23,592	66,510	114,590	1,953,404	
Tonnes (t) Cobalt	890	2,757	6,725	102,964	
Underground Mining	29,106	37,542	55,362	716,122	
Open Pit Mining	20,747	70,591	73,734	841,872	
Kamoto DIMA Concentrator	8,415	13,696	22,752	425,791	
Luilu Plant	22,762	30,524	50,801	836,989	
General & Administration	19,596	15,579	17,392	202,528	
Total ('000s USD)	100,626	167,931	220,041	3,023,302	
Cost per lb. (USD/lb. Cu)	1.91	1.15	0.87	0.70	0.74
Cost per lb. Cu (with Co credit)	1.53	0.73	0.28	0.17	0.21
Cost per tonne Cu	4,201	2,525	1,920	1,548	1,627
Cost per tonne Cu (with Co Credit)	3,382	1,611	626	386	469

Note: Columns may not add due to rounding

Over the analyzed 20-year period, total production costs are as follows:

	Total ('000s USD)	USD/t ore	USD/lb. Cu	USD/t Cu
Underground Mining	838,132	9.36	0.18	388
Open Pit Mining	1,006,945	11.24	0.21	467
Kamoto DIMA Concentrator	470,654	5.26	0.10	218
Luilu Plant	941,075	10.51	0.20	436
General & Administration	255,095	2.85	0.05	118
Site Operating Cost Sub Total	3,511,900	39.21	0.74	1,627
Cobalt Credit	(2,498,660)		(0.53)	(1,158)
Site Operating Cost Total After Cobalt Credit			0.21	469
Transport and Marketing Expenses	769,002		0.16	356
Royalty and Lease Obligations	250,234		0.05	116
Capital Costs	658,049		0.14	305
Total Production Costs	2,690,525		0.57	1,247

Note: Columns may not add due to rounding

Capital and operating cost estimates were developed by the individual consultancy companies with full responsibility for their respective areas and collated by HATCH. The work of each company has not been verified by the other companies. The feasibility study assumes an income tax rate of 30% of taxable profit, a royalty of 2% (revenue less selling expenses) payable to the Democratic Republic of Congo and a royalty of 2% of sales (revenue less selling expenses and debt redemption) during the first three years and 1.5% thereafter payable to Gécamines.

The HATCH feasibility study contemplates the design and implementation of sustainable social development programs and initiatives in the region of the Kamoto Mine in an effort to increase the social services programs and to specifically address areas of general education, advanced technical training, general medical services, agricultural educational programs, economic opportunities and micro-enterprises. The programs are intended to assist the local and regional economic rehabilitation resulting from the project's significant tax contribution and the many tertiary economic opportunities that will develop. Hatch estimated that during the course of the project, the communities and the DRC will recognize approximately USD1,487 million of economic benefits.

All mineral rights held by the Kamoto Joint Venture are registered in the name of Kamoto Copper Company. The site facilities are held by the Joint Venture pursuant to a lease agreement with Gécamines. Under the lease agreement, Gécamines will retain all liabilities including environmental liability from all prior activities that occurred on the site prior to the Kamoto Joint Venture operations.

Arthur H. Ditto, President and Chief Executive Officer of Katanga commented: "The Hatch study illustrates the unique and special character of the Kamoto project's large reserves and resource inventory, and how they will support a low cost financially robust enterprise for many

years into the future.” Mr. Ditto also noted that Kamoto has a long history of converting its resources to reserves and the early development-drilling program is an important part of the program to achieve a sustained 150,000 tonnes per year of refined copper output. “The modest lead time to retrofit Kamoto and have it rejoin the world’s important copper-cobalt producers is another unique aspect of the venture,” he said. “I look forward to quickly getting the project underway and to the major benefit it will bring to the DRC, Province of Katanga, and our shareholders.” he added.

The feasibility study comprises several components prepared by HATCH (metallurgical and plant engineering studies including mechanical and electrical engineering, surface infrastructure and financial modelling studies), McIntosh RSV LLC ("RSV"), in association with Caracle Creek International Consulting Inc. ("CCIC") (mineral reserves and resources and mine planning), and SRK Consulting Engineers and Scientists (environmental, tailings and groundwater studies).

Katanga intends to file a National Instrument 43-101 Independent Technical Report regarding the feasibility study shortly. Dr. Scott Jobin Bevans, P.Geo. of CCIC and Mr. Malcolm Paul Lotriet, Pr.Eng, FSASIMM, of RSV are the independent “Qualified Persons”, within the meaning of National Instrument 43-101, who prepared the mineral reserve and resource estimate and have reviewed and approved the content of this press release. Mr. Christian Heili, Pr.Eng and FSAIMM of HATCH, an independent “Qualified Person”, within the meaning of National Instrument 43-101, was responsible for metallurgical and plant engineering as well as financial modelling and the economic evaluation and has reviewed and approved the content of this press release.

The executive summary of the HATCH feasibility study is posted on Katanga’s web site at www.katangamining.com.

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Cautionary Statements

Completion of the reverse takeover transaction described in this press release is subject to a number of conditions, including Exchange acceptance and disinterested shareholder approval. The reverse takeover transaction can not close until the required shareholder approval is obtained. There can be no assurances that the reverse takeover transaction will be completed as proposed or at all. Investors are cautioned that, except as disclosed in the management information circular to be prepared in connection with the reverse takeover transaction, any information released or received with respect to the reverse takeover transaction may not be accurate or complete and should not be relied upon. Trading in the securities of Katanga Mining Limited should be considered highly speculative. The TSX Venture Exchange has in no way passed upon the merits of the proposed reverse takeover transaction and has neither approved nor disapproved the contents of this press release.

This news release contains “forward-looking statements”, within the meaning of the United States Private Securities Litigation Reform Act of 1995 and similar Canadian legislation, concerning the business, operations and financial performance and condition of Katanga. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations 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 are based on the opinions and estimates of management as of the date such statements are made and they are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of Katanga to be materially different from those expressed or implied by such forward-looking statements., including but not limited to risks discussed in or referred to in the current annual Management’s Discussion and Analysis of Katanga filed with the securities regulatory authorities in Canada and available at www.sedar.com. Although management of Katanga has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements there may be other factors that cause results not to be as anticipated, estimated or intended.

There can be no assurance that such 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. Katanga does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.