

News release

Katanga Enacts Shareholder Rights Plan to Prevent Creeping Takeover

LONDON, UK May 10, 2007 – The Board of Directors of **Katanga Mining Limited** (TSX – **KAT**) (the “Company”) announced today that it has enacted a shareholder rights plan, effective immediately. The plan is designed to prevent a creeping takeover of the Company, which is the acquisition of control through progressive increase in ownership, without an offer to all shareholders.

The plan enables the Company to preserve its ability to obtain the best value for all shareholders and provide share ownership stability to protect the opportunity for shareholders to participate in the future growth of Katanga or any other future transaction involving the Company. However, the rights plan will not prevent an offer made to all shareholders for all of their shares.

The Board of Directors of the Company is of the view that a creeping takeover would be detrimental to the best interests of the shareholders and the Company.

In addition to the implementation of a shareholder rights plan, the Board of Directors is evaluating all strategic alternatives and is assembling an advisory team to assist it in insuring that shareholder value is optimized.

The rights issued under the rights plan entitle the holder to acquire 0.162 of a common share for CDN\$100.00 (the “Exercise Price”). The rights will trade together with the common shares of the Company until the “Separation Time” and will not be exercisable until the “Separation Time”. The Separation Time occurs on the tenth business day following the date a person, together with any parties related to it, acquires or announces its intention to acquire 20% or more of the Company’s outstanding common shares without complying with the “Permitted Bid” provisions of the rights plan or without approval of the Board of Directors of the Company. A “Permitted Bid” is one that has been made to all shareholders of the Company by a takeover bid circular.

The rights plan also provides that, on the tenth business day following the occurrence of a “Flip-In Event”, which will occur when a person becomes the “Beneficial Owner” of in excess of 20% of the Company’s outstanding shares, the exercise price and, in certain circumstances, the number of shares for which the right is exercisable will be adjusted. In particular, if the Flip-In Event occurs prior to the date the Shareholders of the Company authorize an increase in the authorized capital of the Company, each right will be exercisable for 0.162 of a common share at an Exercise Price equal to the then current market price of a common share multiplied by 0.08. Following the approval by the shareholders of the increase in capital, the Exercise Price for each right will be CDN\$100.00 and each right will be exercisable for that number of common shares having a then current aggregate market value equal to twice the Exercise Price.

In the Board’s opinion, the completion by Central African Mining & Exploration Company Plc (“CAMEC”) of announced agreements to acquire approximately 22% of the issued and outstanding shares will not, under the terms of the rights plan, cause the Separation Time or a Flip-In Event to occur. Under the terms of the rights plan, beneficial ownership of more than 20% of the outstanding shares on the day the plan is adopted does not make a person an

“acquiring person”, which would trigger certain aspects of the plan. However acquisition of additional shares may cause the 20% holder to become an “acquiring person”, depending upon the circumstances. Depending upon the current status of CAMEC's negotiations to acquire an additional 6% of the outstanding shares, the completion of that purchase may cause both the Separation Time and a Flip-In Event to occur.

The issuance of the shares upon exercise of the rights is subject to receipt of certain regulatory approvals. The rights plan must be ratified by shareholders within six months.

The Company intends to call a special meeting of its shareholders to increase its share capitalization from 100,000,000 common shares to 200,000,000 common shares and to ratify the shareholder rights plan.

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To learn more about Katanga Mining Limited, please visit our website at www.katangamining.com

Katanga Mining Limited is becoming significant in global copper mining by rehabilitating mines and plants near Kolwezi in the Katanga Province of the Democratic Republic of Congo.

The site is getting ready to ship copper in December 2007. By 2011, the complex will produce 150,000 tonnes of refined copper and 8,000 tonnes of refined cobalt a year and will be among the world's lowest cost producers.

The Company is listed on the Toronto Stock Exchange under the symbol KAT.