

News release

Katanga Project Update and 3Q 2008 Financials

LONDON, UK November 6, 2008 – **Katanga Mining Limited** (TSX – **KAT**) (“Katanga” or the “Company”) today gives a project update and announces its financial results for the third quarter ending September 30, 2008.

Highlights

- Copper cathode production during the quarter of 6,812 tonnes; cobalt metal production of 356 tonnes; and production of 14,588 tonnes of concentrate up 28%, 196% and 8% respectively on the previous quarter.
- Total net sales for the quarter increased by 12% to \$57.6 million, comprising \$22.5 million (4,197 tonnes) for copper cathode, \$17.9 million (290 tonnes) for cobalt metal, and \$17.2 million (6,847 tonnes) for cobalt concentrate sales. These amounts were net of a \$9.2 million decrease for provisional pricing adjustments for copper and cobalt concentrate.
- Net loss for the quarter of \$38.8 million (\$0.19 per share), compared with a net loss for the third quarter of 2007 of \$16.4 million (\$0.21 per share).
- The appointments during the quarter of Steven Isaacs as Interim Chief Executive Officer and Tim Henderson as Interim Chief Operating Officer were announced.

Outlook

- Production for 2008 is forecast to total 22,000 tonnes of copper cathode, 900 tonnes of cobalt metal, and 43,500 tonnes of cobalt concentrate, containing 2,600 tonnes of payable copper and 1,200 tonnes of payable cobalt.
- The Company has commenced a review of capital expenditure with a focus on optimizing its development program considering current market conditions. This review is targeting the maximization of operating cash flows and reducing project capital expenditure requirements, while preserving optionality for development of the Company’s world class asset base. While the review is progressing capital expenditure for Phase 2 of the Kamoto rehabilitation project will continue.
- Discussions with Gécamines to complete the amended KCC Joint Venture Agreement continue to progress, using the framework established in the Memorandum of Understanding announced on August 5, 2008. We are currently moving into the final documentation stage.

Commenting on the results Steven Isaacs, Interim CEO, Katanga Mining said:

“We are pleased to report a steady ramp-up in production of copper, cobalt and cobalt concentrate during the third quarter. Significant improvements were made during the quarter at our Lulu Metallurgical Plant. Concentrate dewatering and residue filtration improvements were implemented resulting in enhanced throughput and extractive efficiency in both the copper and cobalt circuits.”

Despite ore production at the Kamoto Underground Mine (‘KTO’) increasing by 21.5% during the third quarter, we have not yet seen the step-change in sulphide ore production capacity that we are expecting. Initiatives at KTO include dewatering improvements, enhancing backfill capability, and increasing the

availability and efficiency of the trackless mining fleet. We expect that the fourth quarter production of copper and cobalt will be limited by the KTO production capacity.

Overall, despite the near-term challenges and the decline in commodities markets, we remain positive about the outlook for Katanga, consistent with both our high quality asset base and our progress regarding the mining contract review.”

Operations Review

Underground

During the quarter ended September 30, 2008, 152,520 tonnes of ore and 14,478 tonnes of waste were mined from underground. Since underground production started in the quarter ended September 30, 2007, every quarter has seen an increase in production. An average copper grade of 3.82% was achieved in 2008 (2007 - 2.60%) and a cobalt grade of 0.42% (2007 – 0.46%). The following initiatives undertaken will be ongoing throughout the fourth quarter:

- Additional recruitment and training of skilled operators for the trackless mining fleet.
- Improvements to the dewatering of the development faces.
- Implementation of new roof support processes.
- Enhancing backfill capability.

Open Pit (T17)

At T17, tonnes mined continue to be ahead of forecast with 1,320,606 tonnes of waste removed in the quarter ended September 30, 2008 and 151,044 tonnes of ore produced with a copper grade of 1.53% and a cobalt grade of 0.98%. The cobalt grade is above the forecast of 0.66% whereas the copper grade is currently below the forecast of 1.91%.

Kamoto Concentrator

The Kamoto concentrator processes ore from KTO underground and T17 open pit. In the quarter ended September 30, 2008, it processed 269,997 tonnes of ore from which 27,690 tonnes of concentrate were produced. The capacity of the concentrator exceeds the current mine production capability and continues to meet planned availability and recovery.

Luilu processing plant

In the current quarter, 6,812 tonnes of copper cathode were produced along with 356 tonnes of cobalt metal. Copper production has consistently increased over the last three quarters as improvements have been made to the plant, also resulting in significant improvements in cobalt production during the third quarter. While the implementation of measures to increase capacity was successful in the third quarter, we expect fourth quarter copper cathode production to be less than in the third quarter due to constraints from the mining operation. However, we expect fourth quarter cobalt production to be slightly higher than in the third quarter.

Open Pit (Tilwezembe)

At Tilwezembe, the mining of ore exceeded forecast with 269,897 tonnes, mined, and waste removal of 1,333,922 tonnes. While the cobalt grade of 1.01% exceeded forecast of 0.80%, the copper grade of 1.39% was below forecast of 1.80%. Analysis of the new mineral resource model received at the end of June will ensure the resource is being exploited in the most efficient manner.

Kolwezi Concentrator

The Kolwezi concentrator processes the ore from the Tilwezembe open pit. In the current quarter, it processed 230,231 tonnes of ore and produced 14,588 tonnes of concentrate. Ore processed for the quarter of 230,231 tonnes was 4% below forecast and concentrate production of 14,588 tonnes was 28% below forecast. Metallurgical performance has been below expectation because of the requirement to effect a low mass pull in order to keep the concentrate grades within specification. To improve the situation, a batch process strategy has been implemented with an independent audit of the Kolwezi

concentrator which commenced in October. Given the fluctuation of mill head grades and commodity prices there is ongoing monitoring of performance of the Kolwezi concentrator in order to maximize profitability.

Board changes

The Company has announced the resignation of Jean-Claude Masangu Mulongo from the Katanga Mining Board of Directors. Mr. Masangu Mulongo, who served as an Independent Non-Executive Director and a member of the Audit Committee since July 2006, has resigned due to increased responsibilities regarding his other commitments. The Board has already begun a search to replace Mr. Masangu Mulongo and wishes to thank him for his commitment to Katanga Mining throughout his tenure.

Conference Call and Webcast

Katanga will hold a conference call and webcast at 8.30am EDT (Toronto) / 1.30pm GMT (London) on November 7, 2008 to provide a project update and discuss its third quarter financials.

The call will be hosted by Steven Isaacs, Interim Chief Executive Officer, and Stephen Jones, Senior Vice President and Chief Financial Officer.

Details of how to access the call and webcast are below. A news release, slide presentation and financial statements will be available on Katanga's website, www.katangamining.com, prior to the call.

Katanga's Financial Statements and Management Discussion and Analysis for the quarter are filed on SEDAR, www.sedar.com.

Conference call/webcast details:

Date: November 7, 2008
Time: 8.30am Eastern Time (Toronto) / 1.30pm GMT (London)
Dial in: UK Free Call : 0808 109 0700
Canada Free Call : 1800 608 0547
USA Free Call : 1866 966 5335
International dial-in : +44 203 003 2666
ID: Participants will be asked for an ID code when they dial in. The ID code is: 6736718
Webcast: An audio webcast with slide presentation will be available at the following link:
<http://services.choruscall.eu/links/katanga081107.html>

Replay details:

The call will be available for replay until midnight on November 13, 2008 at the following replay number: +44 (0) 203 023 4484 (International Access Number), 6736718 Replay PIN Number. The webcast will be archived at the same location as above for six months.

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

Katanga Mining Limited operates a major mine complex in the Democratic Republic of Congo producing refined copper and cobalt. The company has the potential to become Africa's largest copper producer and the world's largest cobalt producer, with a targeted annual output of over 300,000 tonnes of refined copper and over 30,000 tonnes of refined cobalt by 2011. Katanga is listed on the Toronto Stock Exchange under the symbol KAT.