

News release

Katanga announces proposed increase in authorized share capital and appointment of Chief Financial Officer

LONDON, UK December 15, 2008 – **Katanga Mining Limited** (TSX – **KAT**) (“Katanga” or the “Company”) today announced its intention to seek shareholder approval of a resolution to increase the authorized share capital of the Company at a special meeting (the “Meeting”) of shareholders to be held at 09:00am EST on January 12, 2009 at The Fairmont Royal York, 100 Front Street West, Toronto, Ontario, Canada.

The Board of Directors of the Company has fixed the close of business on December 12, 2008 as the record date for the determination of holders of common shares of the Company entitled to notice of the Meeting and any adjournments thereof.

As stated in the Interim Financial Statements for the three and nine month periods ended September 30, 2008, the Company does not have sufficient cash to fund planned capital expenditures to support the ramp up of ongoing operations to a self-sustaining level. Measures have been taken to reduce capital expenditures and workforce and, given current commodity prices, the production of cobalt concentrate has been temporarily suspended. However, the Company’s cash reserves are sufficient, at current expenditure and operating levels, to fund continuing operations for a short period only. The Company therefore requires additional funding on an urgent basis in order to permit it to continue to operate as a going concern.

The Company intends to rely on “financial hardship” exemptions from the shareholder approval and/or valuation requirements under the rules of the Toronto Stock Exchange and/or Multilateral Instrument 61-101 of the Canadian Securities Regulators.

The Company is currently examining various options to ensure continued operations, including an equity raise and a convertible debt financing with a number of shareholders. If a convertible debt financing option is pursued it is possible that participating shareholders would be permitted to significantly increase their equity stake without prior shareholder approval. Further, these shareholders would be entitled to vote in respect of the resolution proposing an increase in the Company’s authorized share capital

Therefore, the Board proposes the authorized share capital of the Company be increased from 300,000,000 Common Shares with a par value of \$0.10 each to 5,000,000,000 Common Shares with a par value of \$0.10 each. As of December 11, 2008, the issued and outstanding share capital of the Company was 206,089,153 Common Shares.

In order to be effective, the resolution to increase the Company’s authorized share capital must be passed by a majority of votes cast in respect thereof by the shareholders represented in person or by proxy at the Meeting.

In addition, the Company today announces that Nicholas Brodie has been appointed as Chief Financial Officer with immediate effect. Mr. Brodie replaces Mr. Stephen M. Jones who resigned from the Company effective December 9, 2008.

Mr. Brodie joined Katanga in November 2006 as Finance Director. He has over 15 years of financial control, asset management and treasury experience and previously served as Chief Financial Officer of Copperbelt Energy Company, Head of Finance for Cinergy Global Trading Limited and in senior finance

roles at Misys International Banking Systems and Total. He began his career in auditing and is a qualified Fellow of the Association of Chartered Certified Accountants.

For further information contact:

Anu Dhir
VP, Corporate Development
Tel: +44 (0)20 7440 5800

Nigel O'Connor
Manager Communications
Tel: +44 (0)20 7440 5800

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. Katanga is listed on the Toronto Stock Exchange under the symbol KAT.