

News release

Katanga and Glencore announce completion of US\$265.3 million loan

- **Additional loan participants sought by second closing on February 9, 2009 (the “Second Closing Date”)**

LONDON, UK January 12, 2009 – **Katanga Mining Limited** (TSX – **KAT**) (‘Katanga’ or the ‘Company’) and Glencore Finance (Bermuda) Limited (‘Glencore’) today announced completion of the previously announced mandatorily convertible loan facility of approximately US\$265.3 million (‘the Facility’) underwritten by Glencore (see Katanga press release December 24, 2008 for more detail). This follows the approval by Katanga’s shareholders, as announced earlier today, of the increase in the authorized share capital of the Company.

Funding from the Facility is available immediately and is made available to the Company’s joint-venture subsidiaries - Kamoto Copper Company (KCC) and DRC Copper and Cobalt Project (DCP) - to meet the immediate financing requirements of Katanga and its subsidiaries. As at today’s date, Glencore has advanced the entire US\$100 million principal amount under the Facility.

The Company, in consultation with Glencore, is seeking participations in the Facility from existing eligible shareholders and new investors, up to an aggregate amount not exceeding 75% of the Facility as of today’s date i.e. US\$198.975m (the ‘Available Facility Amount’). To the extent that the Company receives commitments from eligible shareholders and new investors to participate in the Available Facility Amount, such shareholders and new investors will, on the Second Closing Date receive a transfer of its proportional interest in the Facility from Glencore. The Second Closing Date is expected to occur on February 9, 2009, but may occur on an earlier date if valid commitments have been received from investors in respect of the entire Available Facility Amount or if otherwise agreed between the Company and Glencore.

As announced on December 24, 2008, in addition to the Facility, the Company will require additional equity and/or debt finance in the amount of approximately US\$250 million during the first six months of 2009.

Commenting on the completion of the Facility, Hugh Stoyell, Non-Executive Chairman, Katanga Mining said: *“Given such difficult and unprecedented conditions in the capital and commodities markets, we appreciate that Glencore has stepped in to provide a lifeline of financial support enabling Katanga to continue in the near-term. The Management Team and Board will continue to actively seek the participation of eligible investors by the second closing on 9th February. These are challenging times for the Company but we remain confident that existing shareholders and new investors will recognize the long-term value and prospects of our core asset base”.*

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About Katanga Mining Limited

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.

About Glencore

Glencore International AG, based in Baar, Switzerland, is the parent company of Glencore Finance (Bermuda) Limited and is a leading privately held, diversified natural resources company with worldwide activities in the smelting, refining, mining, processing, purchasing, selling and marketing of metals and minerals, energy products and agricultural products.

Persons who wish to obtain a copy of the Early Warning Report filed by Glencore in connection with this transaction may obtain a copy of such report from www.sedar.com or by contacting the persons listed above.

This press release shall not constitute an offer.

Forward-looking Information

This press release contains "forward-looking information" 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. Forward-looking statements include, but are not limited to, statements with respect to anticipated developments in Katanga's operations in future periods; planned exploration activities; the adequacy of Katanga's financial resources and other events or conditions that may occur in the future; estimated production; the ability of Katanga to continue to create value for its shareholders; the ability of Katanga to meet expected financing requirements and to continue as a going concern; the future price of copper and cobalt; the estimation of mineral reserves and resources; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production; capital expenditures; permitting time lines and permitting, mining or processing issues; currency exchange rate fluctuations; government regulation of mining operations; information concerning the interpretation of drill results; success of exploration activities; environmental risks; unanticipated reclamation expenses; title disputes or claims; and limitations on insurance coverage. 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", "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" 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 related to failure to obtain new investor commitments for all or a portions of the Available Facility Amount; unexpected events during construction, expansion and start-up; variations in ore grade, tonnes mined; delay or failure to receive board or government approvals; timing and availability of external financing on acceptable terms; risks related to international operations; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of copper and cobalt; possible variations in ore reserves, grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; political unrest and insurrection; acts of terrorism; accidents, labor disputes and other risks of the mining industry; delays in the completion of development or construction activities, as well as those factors discussed herein 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 herein, except in accordance with applicable securities laws.