

# News release

## **Katanga announces second closing of US\$265 million mandatorily convertible loan facility**

**LONDON, UK** February 11, 2009 – **Katanga Mining Limited** (TSX – **KAT**) (“Katanga” or the “Company”) confirms that effective February 9, 2009 it has completed the second close of its previously announced US\$265.3 million two-year mandatorily convertible loan facility (the “Facility” - see December 24, 2008 press release).

Participations in the Facility amounting to US\$64.5 million (representing approximately 24.2% of the amount outstanding under the Facility) have been transferred by Glencore Finance (Bermuda) Limited (“Glencore”) to RP Explorer Master Fund (“RP”) and certain affiliated entities and entities related thereto (see Notes below). Pursuant to the terms of the Facility, accrued interest from January 12, 2009 to the second closing date has been added to the principal under the loan which now totals approximately US\$266,030,325 (CDN\$324,344,172 based on the Bank of Canada nominal noon rate of US\$1 : CDN\$1.2192 as at February 9, 2009).

Glencore’s participation in the Facility is now approximately US\$217.5 million. This includes a participation of US\$16 million which was transferred back to Glencore by an entity affiliated with certain parties related to RP, over which Glencore has granted a call option to another entity affiliated with certain parties related to RP (see Notes below). The Company has been advised that Glencore currently holds 17,580,482 common shares of the Company (8.52% of the current 206,320,802 common shares outstanding) and RP and its related entities currently hold collectively 47,795,722 common shares of the Company (23.17% of the current common shares outstanding).

Following the second closing of the Facility, on a partially diluted basis (assuming only conversion of Glencore’s participation in the Facility, and assuming the call option is not exercised), Glencore would own 799,220,168 common shares representing approximately 80.90% of the total issued and outstanding shares of the Company. On a partially diluted basis (assuming only conversion of RP/Trust Investors’ (as defined in Notes below) and their affiliated entities’ participation in the Facility and assuming the call option is exercised), RP/Trust Investors and their affiliated entities would own an aggregate of 279,560,005 common shares representing approximately 63.81% of the total issued and outstanding shares of the Company.

On a fully diluted basis, and assuming that the call option is exercised, Glencore would own 741,728,253 common shares representing 63.30%, and RP/Trust Investors and their affiliated entities would own an aggregate of 279,560,005 common shares representing 23.86%, of the total issued and outstanding shares of the Company. “Early Warning Reports” previously filed by Glencore have indicated that Glencore and RP, together with certain entities related to it, may be acting jointly and in concert.

The Company now requires in aggregate additional equity and/or debt finance in the amount of approximately US\$250 million. Once US\$250 million has been raised in debt and/or equity, the full amount of the Facility will be mandatorily converted into equity, further strengthening the Company’s balance sheet.

## For further information contact:

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## Notes:

1. *Glencore will file an early warning report in respect of the subject matter of this press release which may be accessed under Katanga's profile on SEDAR at [www.sedar.com](http://www.sedar.com) or by contacting any of the individuals listed above.*
2. *RP (who, together with entities related to it, is an insider of the Company with director appointment rights), Ruwenzori Limited and RP Partners Fund (who are also entities affiliated to RP Explorer), have participated in the Facility in the aggregate amount of US\$64.5 million. Of this, a participation of US\$61 million was transferred to Lora Enterprises Limited ("Lora"), whose ultimate owner is a trust for the benefit of family members of Dan Gertler (the "Trust"). Lora has transferred US\$16 million back to Glencore Finance (Bermuda) Limited ("Glencore"), a wholly-owned subsidiary of Glencore International AG, and Glencore has issued a call option over such US\$16 million to Ellesmere Global Limited ("Ellesmere"), whose ultimate owner is also the Trust. Ellesmere and Lora do not hold any common shares of the Company.*
3. *The Company has been advised that the participations in the Facility were made for investment purposes, and Glencore, and RP, Ruwenzori Limited, RP Partners Fund, Lora and Ellesmere ("RP/Trust Investors") will continue to review their investment alternatives from time to time and may determine to increase or decrease their respective equity ownership in Katanga through the acquisition or sale of additional outstanding common shares or other securities of Katanga through open market or privately negotiated transactions in accordance with applicable securities laws.*

## Forward-Looking Information

*This press release contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and similar Canadian legislation. Forward-looking statements include, but are not limited to, statements with respect to the effect of conversion of the Facility on control of the Company and to the shareholdings of Glencore and RP Capital. 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", "may be", "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 to be materially different from those expressed or implied by such forward-looking statements.. 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.*

## 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 (Baarermattstrasse 3, P.O. Box 666, CH-6341, Baar, Switzerland), is the parent company of Glencore Finance (Bermuda) Limited (Argyle House, 41A Cedar Avenue, Hamilton HM1S, PO Box HM1179, Hamilton HM EX, Bermuda) 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.*

## About RP Capital

*RP Capital is an alternative investment firm specializing in identifying superior intermediate and long-term investment opportunities on behalf of institutional investors and qualified high-net worth individuals in regions such as Eastern Europe, the Middle East, Africa and Japan, using a wide variety of strategies. Its UK entity, RP Capital UK Limited, is authorised and regulated by the Financial Services Authority.*