

# News release

---

## Katanga Announces Results of Engineering Report

**LONDON, UK** March 31, 2009 – **Katanga Mining Limited** (TSX – **KAT**) (“Katanga” or the “Company”) today announced the completion of an independent report (the “Report”) by SRK Consulting on the material assets of the Company (the “Properties”) in the Katanga Province in the Democratic Republic of Congo (“DRC”).

Highlights of the Report include:

- 50% increase in mineral reserves, 92% improvement in contained copper and 78% improvement in contained cobalt
- Copper capacity expansion to 110,000 tonnes in 2012; 150,000 tonnes in 2013; and, 230,000 tonnes in 2014
- Total plant capacity of 310,000 tonnes per annum copper and 30,000 tonnes per annum cobalt commencing 2015

### Mine Plan

The Report, dated 17 March 2009, covers the mineral reserves and operations of Katanga’s two operating subsidiaries in the DRC, Kamoto Copper Company SARL and DRC Copper and Cobalt Project SARL which are to be merged. This report covers the merged company’s 23 years of production from proven and provable mineral reserves as defined by National Instrument 43-101 of the Canadian Securities Regulators (“NI 43-101”).

Following successful completion of Phase 1 of a major rehabilitation program on the Properties, Katanga restarted copper production in December 2007.

Phase 2 of the Luilu Metallurgical Plant (“Luilu”) refurbishment is expected to be completed in mid-2009. Upon completion of Phase 2, production capacity at Luilu is expected to be 70,000 tonnes of copper and 4,000 tonnes of cobalt per annum and is expected to be maintained at this level until 2011.

Provided additional financing is obtained, the Company intends to further expand Luilu with an increase in copper capacity to approximately 110,000 tonnes per annum (tpa) in 2012 (phase 3) and 150,000 tpa in 2013 (phase 4). During 2012 Katanga intends to commence work on the new SX/EW stage of the expansion (phase 5). The first module, together with a whole ore leach facility, would be targeted to begin operations in 2014 adding an additional 80,000 tpa of copper capacity. The second module would be targeted to begin operation in 2015. Provided the foregoing is completed on time in a satisfactory manner, total plant capacity would be 310,000 tpa of copper and 30,000 tpa of cobalt metal and salt.

Katanga expects that until late 2010 mine production for this plan will be sourced from Kamoto and T17. Pre-stripping of KOV is expected to begin in late 2009 with ore production by the third quarter 2010. Mining in Mashamba East is expected to commence in 2018.

The following are some of the key results of the study:

- Evaluation Period – 23 years
- Copper production – 5,123,230 tonnes (11,294,827,000 lbs)
- Cobalt production – 433,979 tonnes (956,762,000 lbs)
- Life of project unit cost of US\$0.93 per pound of copper after cobalt credit
- Capital Expenditure
  - Expansion Phases 2 to 4: US\$260 million
  - Expansion Phase 5, Module 1: US\$990.8 million
  - Expansion Phase 5, Module 2: US\$225.2 million

### Mineral Reserve and Mineral Resource Statement as at 31 December 2008

Mineral reserves and mineral resources, reported in accordance with the classification criteria of the South African Code for the Reporting of Mineral Resources and Mineral Reserves (SAMREC Code), are as follows:

#### Mineral Reserves

Classification	Project Area	Mt	%TCu	%TCo
Proved	Kamoto Mine	17,0	3,52%	0,51%
	<b>Subtotal</b>	<b>17,0</b>	<b>3,52%</b>	<b>0,51%</b>
Probable	Kamoto Mine	19,4	3,70%	0,53%
	Mashamba East Mine	10,2	4,39%	0,52%
	T17 Mine	3,1	2,67%	0,70%
	KOV Mine	90,1	4,93%	0,38%
	Kananga Mine	0,0	0,00%	0,00%
	Tilwezembe Mine	0,0	0,00%	0,00%
	<b>Subtotal</b>	<b>122,8</b>	<b>4,64%</b>	<b>0,43%</b>
<b>Total</b>	Kamoto Mine	36,4	3,62%	0,52%
	Mashamba East Mine	10,2	4,39%	0,52%
<b>Proved and Probable</b>	T17 Mine	3,1	2,67%	0,70%
	KOV Mine	90,1	4,93%	0,38%
	Kananga Mine	0,0	0,00%	0,00%
	Tilwezembe Mine	0,0	0,00%	0,00%
<b>Total</b>		<b>139,8</b>	<b>4,50%</b>	<b>0,44%</b>

- (1) Mineral Reserves have been reported in accordance with the classification criteria of the South African Code for the Reporting of Mineral Resources and Mineral Reserves (the SAMREC Code).
- (2) Mineral Resources are inclusive of Mineral Reserves.

## Mineral Resources

Classification	Project Area	Mt	%TCu	%TCo
Measured	Kamoto Mine	33,0	4,50%	0,58%
	<b>Subtotal</b>	<b>33,0</b>	<b>4,50%</b>	<b>0,58%</b>
Indicated	Kamoto Mine	35,7	4,69%	0,60%
	Mashamba East Mine	75,0	1,80%	0,38%
	T17 Mine	13,7	3,16%	0,64%
	KOV Mine	126,9	5,33%	0,40%
	Kananga Mine	4,1	1,61%	0,79%
	Tilwezembe Mine	9,0	1,89%	0,60%
	<b>Subtotal</b>	<b>264,5</b>	<b>3,95%</b>	<b>0,45%</b>
Total	Kamoto Mine	68,7	4,60%	0,59%
	Mashamba East Mine	75,0	1,80%	0,38%
Measured and Indicated	T17 Mine	13,7	3,16%	0,64%
	KOV Mine	126,9	5,33%	0,40%
	Kananga Mine	4,1	1,61%	0,79%
	Tilwezembe Mine	9,0	1,89%	0,60%
	<b>TOTAL</b>	<b>297,5</b>	<b>4,02%</b>	<b>0,46%</b>
Inferred	Kamoto Mine	10,6	5,22%	0,53%
	Mashamba East Mine	65,3	0,76%	0,10%
	T17 Mine	16,7	1,77%	0,57%
	KOV Mine	71,2	3,56%	0,32%
	Kananga Mine	4,0	2,00%	0,98%
	Tilwezembe Mine	13,1	1,80%	0,62%
	<b>TOTAL</b>	<b>180,7</b>	<b>2,32%</b>	<b>0,31%</b>

- (1) Mineral Resources have been reported in accordance with the classification criteria of the South African Code for the Reporting of Mineral Resources and Mineral Reserves (the SAMREC Code).
- (2) Mineral Resources are inclusive of Mineral Reserves.
- (3) Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

## Spot price assumptions 2009-2020

Real Prices	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Copper LME 3 month (US\$/lb)	1.24	1.17	1.24	1.31	1.36	1.65	2.05	2.07	2.09	2.11	2.12	2.14
Cobalt price (US\$/lb Co)*	18	23	17	13	9	9	8	9	9	11	10	10

Source: CRU Strategies, January, 23 2009

\* CRU forecasts cobalt prices as a range: the values in the table represent the mid-point of the forecast range.

## Notes:

### Mineral Reserves and Mineral Resource Estimate Summary

Changes to the mineral resource and mineral reserves disclosed in the Report compared to those in the June 23, 2006 feasibility study announcement of the Company, include:

- Mineral resource classification has been lowered in some instances from previous reports due to SRK Consulting's view regarding data quality as a result of core loss or core conditions from historic drilling.

- The Kamoto Underground resource was updated to include new data. Some resources were adjusted downward or eliminated due to updated information and in some cases reserves have been adjusted to account for alternative mining methods not contemplated in earlier work.
- SRK Consulting completed new resource and reserve analysis of T17 and Mashamba East.
- Mineral reserves and mineral resources for Tilwezembe and Kananga have been updated from previous estimates by inclusion of new drill data from a program completed by the Company in December 2007.
- The RSC zone that lies between the upper and lower orebodies in T17, KOV and Mashamba East has been re-classified as Inferred.
- As per our Press Release No. 6 dated March 31, 2009, the Kolwezi Concentrator is being returned to Gecamines and therefore this facility has not been included in the Report.
- The NPV of the project is as illustrated in the table below:

Discount Factor (%)	NPV (USDm)
8,00%	1,027
10,00%	624
12,00%	324
14,00%	99
16,00%	(70)
18,00%	(197)
20,00%	(292)

### Qualified Persons

This press release was prepared under the supervision of Rick Dye, Technical Consultant, Katanga Mining and a 'Qualified Person' as such term is defined in NI 43-101. Mr. Dye has reviewed and approved the contents of this press release.

The technical report supporting the mineral resource and mineral reserve estimates in this news release, prepared by SRK Consulting in accordance with NI 43-101, has been filed and made available on SEDAR at [www.sedar.com](http://www.sedar.com).

### Cautionary Statements

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, concerning the business and operations of Katanga. Forward-looking statements include, but are not limited to, statements with respect to anticipated developments in Katanga's operations in future periods; estimated production; the ability of Katanga to meet expected financing requirements; the future price of copper and cobalt; the estimation of mineral reserves and mineral resources; the realization of mineral reserve estimates; the timing and amount of estimated future production; costs of production and anticipated capital expenditures. 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" or "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: unexpected events during construction and expansion; variations in ore grade and 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, labour 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 information form and MD&A of Katanga filed with certain of the securities regulatory authorities in Canada and available at [www.sedar.com](http://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.

The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this release.

**For further information contact:**

Steven Isaacs  
Interim CEO  
Tel: +44(0) 207 440 5824

Nick Brodie  
CFO  
Tel: +44 (0) 7983 447 775

Anu Dhir  
VP, Corporate Development  
Tel: +44 (0) 207 440 5822

---

**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.*