

News release

KATANGA MINING ANNOUNCES 2010 FOURTH QUARTER AND YEAR END RESULTS

BAAR, SWITZERLAND, February 11, 2011 – **Katanga Mining Limited** (TSX: **KAT**) ("**Katanga**" or the "**Company**") today announces its financial results for the 2010 fourth quarter and fiscal year end. Katanga's Financial Statements and Management's Discussion and Analysis will be filed on SEDAR, www.sedar.com.

Highlights for the fourth quarter ended December 31, 2010

- For the fourth quarter of 2010, the Company had a net income of US\$214.3 million. This amount includes a non-cash future income tax recovery of US\$176.6 million.
- Total sales for the fourth quarter of 2010, were US\$150.7 million, comprised of US\$111.7 million (12,036 tonnes) for copper cathode, US\$26.4 million (842 tonnes) for cobalt metal and US\$12.6 million (2,124 tonnes of contained copper) for copper concentrate.
- Production data for the fourth quarter:
 - 372,093 tonnes of ore were mined at KTO Underground, a 13% increase on the third quarter of 2010, at an average copper grade of 3.65%.
 - 518,531 tonnes of ore were mined at KOV Open Pit at an average copper grade of 5.29%.
 - Kamoto Concentrator produced 87,046 tonnes of concentrate which was an 11% increase on the third quarter of 2010.
 - Copper cathode production was 14,345 tonnes which was a 12% increase on the third quarter of 2010.
 - Cobalt production was 809 tonnes.
 - Concentrate production for sale as a finished product was 19,252 tonnes (3,859 tonnes of contained copper).

Highlights for the year ended December 31, 2010

- For 2010, the Company earned a net income of \$265.0 million.
- Total sales for the year ended December 31, 2010, were \$535.9 million, comprising \$381.0 million (52,048 tonnes) for copper cathode, \$126.7 million (3,445 tonnes) for cobalt metal and \$28.2 million (4,724 tonnes of contained copper) for copper concentrate.
- C1 cash cost* for the year was \$1.69 per pound of copper (C1 cash costs per pound of copper are cash costs including mining, processing, administration and refining, net of cobalt).

- Production data for the year:
 - 1,309,735 tonnes of ore were mined at KTO Underground at an average copper grade of 3.82%.
 - 1,944,742 tonnes of ore were mined at T17 Open Pit at an average copper grade of 2.35%.
 - 722,324 tonnes of ore were mined at KOV Open Pit at an average copper grade of 4.43%.
 - Kamoto Concentrator produced 303,073 tonnes of concentrate.
 - Copper production was 58,238 tonnes (including 6,054 tonnes of contained metal in concentrate).
 - Cobalt production was 3,437 tonnes.
- The works associated with the Accelerated Development Plan continued:
 - KOV Open Pit started commercial production in July 2010 and is now effectively dewatered.
 - Following the commissioning of the CM6 mill the KTC Concentrator now has an annual milling capacity of 5.6 million tonnes of ore.
 - Luilu Refinery capacity was increased from 70,000 to 110,000 copper tonnes per annum.

Outlook

- The refurbishment works associated with the Accelerated Development Plan, as detailed in the Company's latest Technical Report, will be fully implemented in the second quarter of 2011 increasing production capacity to 150,000 tonnes per annum of copper and 8,000 tonnes of cobalt per annum.
- The initial work on the scoping and engineering study was completed as planned. The scoping study reviewed options for a more efficient expansion of the project to 310,000 tonnes per annum copper production and 8,000 tonnes per annum cobalt metal production, with an additional 22,000 tonnes per annum contained cobalt in cobalt hydroxide, by 2015. The Company is currently completing a front end engineering and early works project to further define technical and financial detail associated with this expansion. The front end engineering and early works project will be completed in the second quarter of 2011.
- To utilize additional capacity at the Kamoto Concentrator, the Company expects to increase the production of oxide concentrate for sale as a finished product and is currently constructing a 120,000 tonnes per annum copper concentrate filtration and bagging facility.
- Exploration drilling at T17 Open Pit confirmed the continuation of the T17 resource at depth with mineralization extending down dip to a depth of 180 meters below the current pit design floor. Further evaluation of the drilling data will be completed in 2011 to continue to develop the conceptual underground mine plan to a level of detail which will potentially allow for this resource to be converted to reserves.

Results will be discussed this morning during an analyst and investor conference call with John Ross, CEO and Executive Director, and Nicholas Brodie, Chief Financial Officer, at 8:30 a.m. EST. A question and answer session will follow management's presentation.

Participants may join the call by dialling toll free 1-888-231-8191 or 647-427-7450 for calls from outside Canada and the US. A recorded playback of the call can be accessed after the event until Thursday, February 17, 2011 by dialling 1-800-642-1687 or 416-849-0833 for calls outside Canada and the US. Pass-code: 36491631. A live and archived audio webcast will also be available at www.katangamining.com.

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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.

Non-GAAP Measures

The Company has included a non-GAAP performance measure, C1 cash costs, net of by-product credits, per pound of copper. The Company reports C1 cash costs on a production basis. In the copper mining industry, this is a common performance measure but does not have any standardized meaning. The Company believes that, in addition to conventional measures prepared in accordance with GAAP, certain investors use this information to evaluate the Company's performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP. C1 cash costs inclusive of by-product credits are calculated by deducting by-product cobalt sales revenues from operating cash costs.

Forward-looking Information

This press release contains "forward-looking information" within the meaning of Canadian securities legislation under the heading "Outlook" with respect to the Company's business, operations and financial performance and condition, including the Company's refurbishment works associated with the Accelerated Development Program, anticipated future capacities, project expansion opportunities and exploration, development and production. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled estimates", "forecasts", "outlook", "intends", "anticipates", "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur", or "be achieved". Statements containing forward-looking information 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 statements, including but not limited to: risks relating to the refurbishment of existing facilities; unexpected events during construction, start-up, expansion or production; variations in ore grade or tonnes mined; future prices of copper and cobalt; futures prices of oxide concentrate; 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 information form of the Company 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 statements containing forward-looking information 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 statements containing forward-looking information. Katanga does not undertake to update any forward-looking information or statement that is incorporated herein, except in accordance with applicable securities laws.