

# News release

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## KATANGA MINING ANNOUNCES FILING OF AIF AND INDEPENDENT TECHNICAL REPORT

**BAAR, SWITZERLAND**, March 31, 2011 – **Katanga Mining Limited** (TSX: **KAT**) ("**Katanga**" or the "**Company**") is pleased to announce the filing today of its Annual Information Form and updated Independent 43-101 Compliant Technical Report ("**ITR**") on SEDAR.

The ITR provides detail on the following important updates from the March 2010 Technical Report:

- Phases 4 and 5 of the Whole Ore Leach/Solvent Extraction/Electro-Winning refinery modular project are to be replaced by a New Phase 4. When completed, this new Phase 4 will result in total plant capacity of 310ktpa refined copper and will consist of:
  - an increase in the milling capacity at the refurbished Kamoto Concentrator ("KTC") of approximately 20% through the conversion of two of the existing autogenous mills into semi-autogenous mills;
  - the construction of a new roaster at the Luilu refinery;
  - the construction of two new solvent extraction ("SX") plants at the Luilu refinery, each with 100ktpa capacity; and
  - the conversion of the existing copper electro refinery at the Luilu refinery to a 200ktpa capacity copper electro-winning facility fed by the SX plants referred to above. This has resulted in capital expenditure savings of \$230 million from \$767 million to \$537 million relative to previous estimates for expansionary capital expenditure for process plants (which included the construction of a new electro-winning plant);
- update of the project life of mine plan which includes confirmation of the intention to mine a component of the KOV resources (the Kamoto East resource) through an underground extension from the existing Kamoto Underground mine (thereby significantly reducing the capital expenditure associated with exploitation of this resource by open pit mining methods) and the exploitation of additional T-17 resources below the bottom of the current open pit through underground mining techniques; and
- a restatement of Mineral Reserves to reflect the change in mining strategy with the exclusion of the Kamoto East resources from reserves pending finalization of the underground mine plan.

The updated ITR also reflects a substantial increase in the net present value of the project in comparison to the March 2010 Technical report predominantly as a consequence of the positive impact of the continued

recovery in copper and cobalt prices on the Company's forward price assumptions and the reduction in capital expenditure and operating costs from the updated mine plan and process plant development initiatives summarised above.

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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.*

*This press release contains "forward-looking information" within the meaning of Canadian securities legislation with respect to the Company's business, operations and financial performance and condition, including the Company's refurbishment works associated with its 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](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 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.*