

# News release

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## **Katanga Mining Proceeds to Procure Long-Lead Items for the Phase 4 Expansion of its Copper Cobalt Project**

**ZUG, SWITZERLAND**, August 22, 2011 – **Katanga Mining Limited** (TSX: KAT) (“**Katanga**” or the “**Company**”) announced today that it is proceeding with the procurement of long-lead items for the New Phase 4 expansion of the Company's copper cobalt project to 310,000 tonnes of total copper plant capacity per annum described in its independent technical report dated March 31, 2011 (the “**ITR**”). Glencore International plc (“**Glencore**”) has agreed to fund any of the Company's cash requirements for these procurements by providing liquidity under their existing off-take agreement.

As previously disclosed, the following changes to the New Phase 4 expansion were identified in the recently completed front-end engineering and early works study:

- an additional 100ktpa solvent extraction (“**SX**”) plant, over and above the 200ktpa SX plant described in the ITR, to be constructed in front of the existing Luilu electrowinning plant;
- the expectation that the Company will reach higher copper and cobalt production levels sooner than the timelines as described in the ITR; and
- an increase in expansionary capital expenditures from approximately \$537 million as described in the ITR to approximately \$630 million due primarily to the inclusion of the additional SX plant and an in-pit crusher at KOV Open Pit.

The Company will pursue financing opportunities from, among others, Glencore to provide the necessary funding for the changes to the New Phase 4 expansion. Glencore is Katanga's ultimate parent company which owns approximately 74% of the Company's shares.

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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.*

## ***Forward-looking Information***

*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 the Phase 4 Expansion. 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.*