

News release

Katanga Announces Execution of Loan Facilities and Redemption of Notes is Unconditional

ZUG, SWITZERLAND, December 19, 2011 – **Katanga Mining Limited** (TSX: KAT; KAT.NT) ("Katanga" or the "Company") today announced the execution of two loan facilities with a total available borrowing of US\$635.5 million (the "Facilities"), previously announced on November 11, 2011 as a commitment from Glencore International AG ("Glencore"). As a result of the execution of the Facilities, all conditions precedent to the redemption of the Notes (as defined below) have been satisfied. Accordingly, the redemption is now unconditional and will be completed on Friday, December 30, 2011.

The first of the Facilities is for up to US\$120 million pursuant to a term loan facility agreement (the "Term Loan") between, among others, Katanga, as borrower, and the Glencore Group, as lender, to fund in substantial part the redemption of Katanga's outstanding Cdn\$125 million 14% debentures due November 30, 2013 (the "Notes") in accordance with the provisions of Katanga's trust indenture dated November 20, 2006. The Term Loan will be drawn in full on December 30, 2011 to redeem the Notes.

The second of the Facilities is for up to US\$515.5 million pursuant to a senior secured credit facility agreement (the "Senior Facility") between, among others, a Katanga subsidiary, as borrower, Katanga and other Katanga subsidiaries as guarantors, and the Glencore Group, as lender.

The Senior Facility will fund the previously announced Updated Phase 4 Expansion of Katanga's copper cobalt project not covered by the Company's cash flows. The Senior Facility will not be drawn until the conditions precedent have been satisfied, which include, among other things, the redemption of the Notes and the granting and registration of the security for the Senior Facility. Further details of the Facilities were set out in Katanga's November 11, 2011 news release.

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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 redemption of the Notes and the completion of the conditions precedent prior to any drawdown of the Senior Facility. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "intends", "anticipates", "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions or events "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 or achievements of Katanga to be materially different from those expressed or implied by such statements. 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.