

Site progress update

Overview

- **First concentrate** produced from Kamoto Concentrator.
- **2,070** employees and **700** contractors now working at site.
- **Production ramping up** to 40,000 tpm in underground mine.
- Focus now on commissioning **metallurgical plant** for September.

Underground Mine – operational on schedule

Over 33,000 tonnes of ore have been mined since April. Production is ramping up to 40,000 tonnes per month in August. All of the phase one mining fleet has arrived at site except for the reserve loader and bolter, which are due in August.

Open Pit Mines – operational on schedule

Pre-stripping for the Musonoie-T17 pit is advancing well. 950,000 tonnes of material have so far been moved to expose the oxide ore. An updated mine plan has been completed and is currently in operation. The contractor's equipment has arrived at site for ore extraction to start mid-August.

Kamoto Concentrator – operational on schedule

Cold and hot commissioning were completed on the sulphide circuit in July. The first concentrate has now been produced and pumped down the completed concentrate delivery pipeline to the metallurgical plant. The next stage is commissioning the oxide circuit by the end of August. In total, two mills and 88 flotation cells will be operational in phase one. Work on the two new tailings areas for the concentrator and metallurgical plant is ongoing; existing tailings facilities are being used for initial production.

Luilu Metallurgical Plant – September start up

The concentrate receiving area at Luilu, consisting of thickener tank, drum filters and conveyors to the stockpile, has been commissioned. Elsewhere in the plant, work on constructing nine replacement tanks is 40 per cent completed – the remaining tanks are being reused. Copper electrowinning cells required for phase one are nearing completion, with busbars currently being installed. Rehabilitation of the structural steel in the roaster building continues on schedule. Procurement packages have been identified for the new roaster for phase two; civil works for the new roaster will begin in September.



New mine truck arrives



Pre-stripping at T17



Flotation cells commissioning



Tank fabrication

Other Developments

- **Logistics** – 383 trucks have now been dispatched to site from Johannesburg. There are now only around 30 truckloads of materials left to arrive over the next two months. Clearing customs at site has improved transit times, with some journeys as short as seven days. Following refurbishment, the Lualaba barge is now operational for heavy loads.
- **Construction Camp** – Five of the six phases of the construction camp have been completed and all materials are at the site for phase six, which will start shortly. Accommodation is currently provided for 400 people and over 950 meals are served a day.
- **Phase Two** – Preliminary engineering has begun for phase two of the rehabilitation program, to ensure a smooth transition from phase one. This includes engineering design work and the development of initial procurement lists.
- **Community Investment** – A project to employ former artisanal miners to produce concrete drain covers for use around the site has begun. The Mukweji Farm now has 50 employees and the first crops have been harvested at the site, which was previously overgrown. Other projects include improving the Kapata to Kanina road and rehabilitating the drainage systems in the local villages of Luilu and Manika.
- **Corporate** – The Independent Committee appointed by the Board has instituted a formal process with a view to identifying all of the strategic options available to the company in light of the informal and unsolicited approach from CAMEC.

A 3D flythrough of Katanga's mine complex – now with the addition of a voiceover – is available on the Company's website, at www.katangamining.com/flythrough



Luilu tailings construction



Final adjustments to mill no. 4



Concrete drain cover project

For further information contact:

Arthur H. Ditto
Chairman, President & CEO
Tel: +44 (0)20 7440 5824
Mobile: +44 (0)7983 447774

Anu Dhir
Vice President, Corporate Development
Tel: +44 (0)20 7440 5822
Mobile: +44 (0)7983 438942

15 Golden Square
London W1F 9JG
United Kingdom
Tel: +44 (0)20 7440 5800

To learn more about Katanga Mining Limited, please visit our website at www.katangamining.com

Katanga Mining Limited operates a major copper-cobalt mine complex in the Democratic Republic of Congo.

First copper is due to be shipped in December 2007 and the site is expected to reach full production in 2011, when 150,000 tonnes of refined copper and 8,000 tonnes of refined cobalt will be produced a year. The Company will be among the world's lowest cost producers.

Katanga Mining Limited is listed on the Toronto Stock Exchange under the symbol KAT.