

KATANGA MINING PROVIDES AN UPDATE ON MAJOR PROJECTS AND ANNOUNCES 2019 FOURTH QUARTER PRODUCTION RESULTS

ZUG, SWITZERLAND, February 3, 2020 - Katanga Mining Limited (TSX: KAT) ("Katanga" or the "Company") today provides an update on its major projects and announces its 2019 fourth quarter production results at its 75%-owned subsidiary Kamoto Copper Company ("KCC").

Update on Major Projects as at December 2019

Cobalt Projects

The cobalt debottlenecking projects (the "Cobalt Projects") continued to progress the final components of this project. The temporary repairs of cobalt dryer #1 was completed in Q4 2019. Dryer #2 is undergoing modifications and is expected to be commissioned during Q1 2020, following which, dryer #1 will be taken off-line for modification which is planned to be completed at the end of Q1 2020. Ramp up to full drying capacity is targeted for mid-2020.

Acid Plant Projects

The sulphuric acid, sulphur dioxide and steam turbine generator projects (the "Acid Plant"), continues to progress towards targeted commissioning during H1 2020.

Production highlights during the twelve months ended December 31, 2019

Copper and Cobalt Production

Copper cathode production increased to 65,402 tonnes in Q4 2019 from 59,424 tonnes in Q3 2019.

Cobalt contained in hydroxide production increased to 6,173 tonnes in Q4 2019 from 4,763 tonnes in Q3 2019.

As previously announced, KCC temporarily suspended the export and sale of cobalt due to the presence of uranium detected in the cobalt hydroxide at levels that exceed the acceptable limit allowed for export of the product through main African ports. The low levels of radioactivity detected in the uranium to date do not present a health and safety risk. On April 25, 2019, KCC resumed the export and sale of a limited quantity of cobalt that complies with both international and local Democratic Republic of Congo ("DRC") transport regulations with respect to the levels of uranium contained in the cobalt hydroxide (the "Applicable Regulations").

KCC, together with the Company and KCC's 25% shareholder, DRC state-owned La Générale des Carrières et des Mines ("Gécamines"), has been working with the DRC government's Ministry of Mines and the Congolese Atomic Energy Agency on a long-term technical solution in the form of an ion exchange plant (the "IX Plant"). In line with a long-term solution and further technical development, Whole Ore Leach ("WOL") modeling has been completed which indicates that both current and 'elevated' Uranium levels may be successfully removed from the cobalt hydroxide product with KCC's Phosphoric acid addition capabilities. KCC is however continuing to evaluate the feasibility of an IX Plant.

NEWS RELEASE
Mining

		Three months ended			Twelve months ended	
		Dec 31, 2019	Sep 30, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018
Ore mined**/**						
KOV open pit	tonnes	1,851,272	1,728,062	1,465,641	5,643,001	6,479,571
Mashamba East open pit	tonnes	1,156,339	1,674,866	851,968	5,252,662	3,318,476
Total open pits	tonnes	3,007,611	3,402,928	2,317,609	10,895,663	9,798,047
KTO underground	tonnes	223,437	158,116	154,022	662,989	369,680
Total ore mined	tonnes	3,231,048	3,561,044	2,471,631	11,558,652	10,167,727
Waste mined and primary development*						
KOV open pit	tonnes	8,204,253	9,604,164	8,057,522	33,982,397	29,757,641
Mashamba East open pit	tonnes	1,679,714	5,161,024	5,777,914	14,587,002	21,224,044
Total open pits	tonnes	9,883,967	14,765,188	13,835,436	48,569,399	50,981,685
KTO underground primary development	meters	-	-	151	137	1,127
Total waste mined***	tonnes	9,883,967	14,765,188	13,835,436	48,569,399	50,981,685
Total material mined						
KOV open pit	tonnes	10,055,526	11,332,226	9,523,163	39,625,398	36,237,212
Mashamba East open pit	tonnes	2,836,052	6,835,890	6,629,882	19,839,664	24,542,520
Total open pits	tonnes	12,891,578	18,168,116	16,153,045	59,465,062	60,779,732
KTO underground	tonnes	223,437	158,116	154,022	662,989	369,680
Total material mined***	tonnes	13,115,015	18,326,232	16,307,067	60,128,050	61,149,412
Total contained copper	tonnes	92,821	112,015	61,393	341,206	218,147

		Three months ended Dec 31,	Twelve months ended Sep 30,	Dec 31,	Dec 31,	Dec 31,
		2019	2019	2018	2019	2018
Ore summary						
Total primary ore mined	tonnes	2,207,302	2,978,497	1,648,105	8,670,071	5,322,494
Average Cu grade	%	3.81	3.59	3.28	3.65	3.49
Average Co grade	%	0.49	0.50	0.41	0.44	0.46
Total low-grade ore mined	tonnes	596,925	471,759	616,436	1,956,676	2,299,703
Average Cu grade	%	1.05	0.95	1.04	0.99	1.01
Average Co grade	%	0.36	0.25	0.18	0.27	0.20
Total cobalt ore mined	tonnes	426,821	110,789	207,090	931,905	2,545,530
Average Co grade	%	0.56	0.67	0.58	0.56	0.59
Average Cu grade	%	0.55	0.61	0.42	0.66	0.36
Total ore mined	tonnes	3,231,048	3,561,045	2,471,631	11,558,652	10,167,727
Average Cu grade	%	2.87	3.15	2.48	2.95	2.15
Average Co grade	%	0.48	0.47	0.37	0.43	0.43

- * These segments include classification of ore volumes into different categories, being primary copper containing ore, low-grade copper containing ore (but still above cut-off grade) and cobalt containing ore (that contains copper under the copper cut-off grade but cobalt over the cobalt cut-off grade). The primary ore component is defined as having a Cu grade of greater than 1.25% and the low-grade component is defined as having a Cu grade between 0.65% and 1.25%. The cobalt ore component is defined as having a Cu grade of less than 0.65% and Co grade greater than 0.30%.
- ** Excludes any ore hydro-mined out of Kamoto Interim Tailings Dam ("KITD") as this is not a traditional mining operation, but a hydro-mining reclamation project.
- *** Underground waste is excluded.

Total ore mined decreased to 3,231,048 tonnes in Q4 2019 from 3,561,044 tonnes in Q3 2019. Total ore mined increased to 11,558,652 tonnes in 2019 from 10,167,727 tonnes in 2018.

Total waste mined decreased to 9,883,967 tonnes in Q4 2019 from 14,765,188 tonnes in Q3 2019. Total waste mined decreased to 48,569,399 tonnes in 2019 from 50,981,685 tonnes in 2018.

Total contained copper decreased to 92,821 tonnes in Q4 2019 from 112,015 tonnes in Q3 2019. Total contained copper increased to 341,206 tonnes in 2019 from 218,147 tonnes in 2018.

The decrease in total material mined in the open pits in 2019 compared to 2018 relates to ongoing optimization of the mine plan.

The decrease in total material mined in the combined open pits in Q4 2019 compared to Q3 2019 reflects the start of the wet season. The wet season is accounted for in KCC's mine planning process and the results are in line with production forecasts.

The ongoing mining and stockpiling of low-grade ore reflects the optimization of the long-term plant feed strategy. The low-grade ore is currently being stockpiled and will be fed into the processing plant on a planned basis in the future.

Kamoto Concentrator

		Three months ended			Twelve months ended	
		Dec 31, 2019	Sep 30, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018
Total material milled and processed	tonnes	2,346,569	2,467,572	2,482,663	10,095,656	7,529,596
KITD material processed	tonnes	437,969	561,506	726,206	2,520,474	2,483,169
Cu grade in ore	%	1.35	1.22	1.55	1.36	1.57
Co grade in ore	%	0.17	0.17	0.18	0.17	0.18
Open pit ore milled	tonnes	1,692,495	1,768,335	1,600,911	6,921,586	4,703,021
Cu grade in ore	%	3.88	3.50	3.18	3.48	3.43
Co grade in ore	%	0.50	0.43	0.42	0.40	0.45
Underground ore milled	tonnes	216,105	137,731	155,546	653,596	343,406
Cu grade in ore	%	3.81	3.40	3.40	3.64	3.34
Co grade in ore	%	0.58	0.65	0.65	0.57	0.63
Production						
Oxide concentrate	tonnes	21,887	26,376	35,752	124,462	107,094
Sulphide concentrate	tonnes	35,557	26,349	30,026	119,821	98,489
Total concentrate produced	tonnes	57,444	52,725	65,778	244,283	205,583
Cu grade in concentrate	%	24.61	20.45	20.77	20.66	20.19
Co grade in concentrate	%	2.81	2.47	2.68	2.37	2.1
Oxide feed received at Luilu	tonnes	1,688,262	1,748,911	1,602,666	6,859,499	4,666,773
Cu grade in oxide feed	%	3.55	3.16	2.86	3.19	3.02
Total contained copper	tonnes	74,024	66,057	59,527	269,383	182,566

Total material milled and processed decreased to 2,346,569 tonnes in Q4 2019 from 2,467,572 tonnes in Q3 2019. Total material milled and processed increased to 10,095,656 tonnes in 2019 from 7,529,596 tonnes in 2018.

Total concentrate produced increased to 57,444 tonnes in Q4 2019 from 52,725 tonnes in Q3 2019. Total concentrate produced increased to 244,283 tonnes in 2019 from 205,583 tonnes in 2018.

Total oxide feed received at Luilu decreased to 1,688,262 tonnes in Q4 2019 from 1,748,911 tonnes in Q3 2019. Total oxide feed received at Luilu increased to 6,859,499 tonnes in 2019 from 4,666,773 tonnes in 2018.

Total contained copper in concentrate and oxide feed produced increased to 74,024 tonnes in Q4 2019 from 66,057 tonnes in Q3 2019. Total contained copper in concentrate and oxide feed produced increased to 269,383 tonnes in 2019 from 182,566 tonnes in 2018.

The increase in total material milled and processed in 2019 compared to 2018 is driven by the increase in milling capacity due to the ramp-up and optimization of CM6 and CM7 following commissioning at the end of 2018, as well as increased availability of the CM5 oxide mill.

The decrease in total material milled and processed in Q4 2019 compared to Q3 2019 was driven by the objective of reducing overall acid consumption by increasing copper feed grades and reducing the oxide feed tonnage.

Luilu metallurgical plant

		Three months ended			Twelve months ended	
		Dec 31, 2019	Sep 30, 2019	Dec 31, 2018	Dec 31, 2019	Dec 31, 2018
WOL feed – oxide concentrate*	tonnes	21,887	26,376	35,752	124,462	198,317
WOL feed – oxide feed	tonnes	1,688,262	1,748,911	1,602,666	6,859,499	4,666,773
Total oxide feed	tonnes	1,710,149	1,775,287	1,638,418	6,983,961	4,865,090
Total oxide Cu grade	%	3.67	3.28	3.07	3.34	3.44
Total oxide Co grade	%	0.48	0.43	0.43	0.39	0.45
Sulphide roaster feed	tonnes	34,962	25,089	25,588	114,413	58,099
Sulphide Cu grade	%	29.44	26.09	27.27	27.32	29.17
Sulphide Co grade	%	3.71	3.68	3.86	3.45	4.04
Production						
Copper cathode	tonnes	65,402	59,424	49,770	234,516	152,357
Cobalt contained in hydroxide	tonnes	6,173	4,763	4,646	17,054	11,112

Total copper cathode produced increased to 65,402 tonnes in Q4 2019 from 59,424 tonnes in Q3 2019. Total copper cathode produced increased to 234,516 tonnes in 2019 from 152,357 tonnes in 2018.

Total cobalt contained in hydroxide increased to 6,173 tonnes in Q4 2019 from 4,763 tonnes in Q3 2019. Total cobalt contained in hydroxide increased to 17,054 tonnes in 2019 from 11,112 tonnes in 2018.

The increase in Q4 2019 copper cathode and cobalt contained in hydroxide production compared to Q4 2018 was driven by a ramp-up of oxide material treatment rates at the Lulu refinery.

The increase in copper cathode production in Q4 2019 from Q3 2019 was due to progress made on the electrowinning ("EW") refurbishment program and current efficiency improvements as well as maintaining high ore feed rates and copper grades to Lulu refinery.

Outlook

On April 29, 2019, the Company announced that KCC had commenced a comprehensive business review targeting mining efficiencies and processing improvements as well as enhancements to product quality realizations and overhead cost reductions (the "Review").

Indications suggest there may be scope for margin improvements in the order of \$200-250 million per annum. Further work, seeking to develop detailed implementation plans to deliver these improvements is being undertaken, which if successful, are expected to be realizable progressively by 2022.

KCC has defined business priorities such as, but not limited to, improved efficiencies, maintenance, labor productivity and production quality, while decreasing the costs associated with procurement, sourcing and information technology. KCC has commenced executing key cost reduction initiatives identified in the transformation review process.

These improvements are expected to materially increase the cash flow generation of KCC from 2022, when it is projected to achieve targeted life of mine average production of approximately 300ktonnes of copper and 30ktonnes of cobalt, resulting in a steady state copper unit cash cost of \$1.65/lb, before cobalt by-product credits, and \$0.75/lb after cobalt by-product revenue, net of allocable cobalt direct production and realization/selling costs of approximately \$0.60/lb. Realization costs are based on an assumed copper price of \$6,500/t and realized cobalt price of \$15/lb.

Production guidance for copper and cobalt is as follows:

Commodity	Units	FY2020
Copper (1)	Ktonnes	270
Cobalt (2)	Ktonnes	29

Notes:

- (1) Annual copper production guidance is subject to +/- 15 ktonnes variation
- (2) Annual cobalt production guidance is subject to +/- 2 ktonnes variation

It should be noted that production in any given year will fluctuate as a function of numerous factors, including the availability and utilization of plant and equipment, geological and mining conditions, logistics, availability of reagents, availability of electricity, macro-economic factors such as commodity prices, input costs and geopolitical developments (including the 2018 Mining Code).

Qualified Person

Tahir Usmani, PEng, APEGA, Mine Technical Services Manager of KCC, has reviewed and approved the scientific and technical disclosure in this news release. Mr. Usmani is a "qualified person" for the purposes of NI 43-101 - *Standards of Disclosure for Mineral Projects*.

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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 Statements

This press release may contain forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. This press release may contain forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

All forward-looking statements reflect the Company's beliefs and assumptions based on information available at the time the statements were made. Actual results or events may differ from those predicted in these forward-looking statements. All of the Company's forward-looking statements are qualified by the assumptions that are stated or inherent in such forward-looking statements. The key assumptions that have been made in connection with the forward-looking statements include the following: that the Company will complete the ramp up of full drying capacity as part of the Cobalt Projects in the time expected and realize the anticipated benefits of the Cobalt Projects; there being no significant disruptions affecting the operations of the Company whether due to legal disputes, judicial action, labour disruptions, supply disruptions, power disruptions, rollout of new equipment, damage to equipment or otherwise; permitting, development, operations, expansion and acquisitions at KCC being consistent with the Company's current expectations; the Company being able to confirm the margin and cash flow improvements identified by the Review and then successfully implementing any such improvements; continued recognition of the Company's mining concessions and other assets, rights, titles and interests in the DRC; the continued effectiveness of interim solutions for uranium identified in cobalt or the completion of the IX Plant or other long-term solution in the time contemplated, at the expected cost of construction; political and legal developments in the DRC being consistent with its current expectations; the continued provision or procurement of additional funding from Glencore for operations; new equipment performing consistent with expectations; the exchange rate between the US dollar, South African rand, British pounds, Canadian dollar, Swiss franc, Congolese franc and Euro being approximately consistent with current levels; certain price assumptions for copper and cobalt; prices for diesel, natural gas, fuel oil, electricity and other key supplies being approximately consistent with current levels; production, operating expenses and cost of sales forecasts for the Company meeting expectations; the accuracy of the current ore reserve and mineral resource estimates of the Company (including but not limited to ore tonnage and ore grade estimates); and labour and material costs increasing on a basis consistent with the Company's current expectations.

Forward-looking statements involve known and unknown risks, future events, conditions, uncertainties and other factors which may cause the actual results, performance or achievements to be materially different from any future results, prediction, projection, forecast, performance or achievements expressed or implied by the forward-looking statements. Although Katanga has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements 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 forward-looking statements.

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The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events, or otherwise, except in accordance with applicable securities laws.