



MEDIA RELEASE

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**Ernest Henry Mining commits \$750,000
towards social infrastructure project in Cloncurry**

Cloncurry, 6 September 2010

Ernest Henry Mining today announced \$750,000 funding towards the \$6 million Cloncurry Community Precinct project, under its Xstrata Community Partnership Program North Queensland in partnership with Cloncurry Shire Council and the Queensland Government.

The launch of the Cloncurry Community Precinct project was initiated today at the Cloncurry Shire Hall attended by Mrs Betty Kiernan, Member for Mount Isa, Cr Andrew Daniels, Mayor of Cloncurry and Mr Myles Johnston, General Manager Ernest Henry Mining. The project involves the redevelopment of the current Shire Hall (supper room and kitchen) and library complex to create a central community hub for Cloncurry.

Ernest Henry Mining General Manager, Myles Johnston, said delivering social infrastructure projects are crucial in developing sustainable communities.

"This partnership with Cloncurry Shire Council and the Queensland Government reaffirms our commitment to the Cloncurry community to ensure the creation of a modern facility and a central hub for residents of our local community," said Mr Johnston.

"We hope this funding and the new community hub will increase the diversity and functionality of the area and allow for community space and functions whilst encapsulating the historic Shire Hall.

"The redevelopment will allow greater space for documentation of local history and memorabilia, improve access to learning experiences and IT services, provide a central service facility and attract touring art and cultural exhibitions," he said.

In 2010, the Xstrata Community Partnership Program North Queensland entered its sixth year of working in partnership with communities and government to address the areas of

greatest need in the north Queensland communities where the company's employees live and work.

The program addresses six key areas, namely enterprise and job creation, education, environment, social and community development, health and arts and culture.

Ernest Henry Mining General Manager, Myles Johnston, said the program's achievements to date demonstrated Xstrata's belief that local communities should benefit from the company's operations both in the short and long term.

"Through our Corporate Social Involvement program, we develop community partnerships that contribute to the development of sustainable communities and emphasise local capacity building. We believe that the wellbeing of our employees, their families and the residents of Cloncurry is crucial to maintaining our social licence to operate," he said.

"Since 2005 the Xstrata Community Partnership Program North Queensland has made a huge contribution to North Queensland by providing over \$11 million funding for projects, including other social and community development initiatives such as support of the Cloncurry Swimming Pool, a partnership with Cloncurry Shire Council for the installation of a shade structure and partnerships with the Cloncurry PCYC which have provided activities for youth through the facilitation of youth camps and programs.

"I look forward to continuing to share the benefits of our business performance with our communities and our partner organisations through this program," said Mr Johnston.

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Notes to editors

ABOUT XSTRATA PLC

Xstrata is a global diversified mining group, listed on the London and Swiss Stock Exchanges, with its headquarters in Zug, Switzerland. Xstrata's businesses maintain a meaningful position in seven major international commodity markets: copper, coking coal, thermal coal, ferrochrome, nickel, vanadium and zinc, with a growing platinum group metals business, additional exposures to gold, cobalt, lead and silver, recycling facilities and a suite of global technology products, many of which are industry leaders. The Group's operations and projects span 19 countries.

ABOUT XSTRATA COPPER

Headquartered in Brisbane, Xstrata Copper is one of the commodity business units within the major global diversified mining group Xstrata plc. Its mining and metallurgical operations and development projects span eight countries: Australia, Argentina, Chile, Peru, Canada, the USA, the Philippines and Papua New Guinea. Its operations are administered by five separate divisions, based close to the

mining operations, namely the North Queensland, Minera Alumbraera, North Chile, Southern Peru and Canada divisions. It also has a recycling business (Xstrata Recycling) with plants in the United States and offices in Canada and Asia.

Xstrata Copper is the fourth largest global copper producer with attributable mined production in 2009 of 907,000 tonnes of copper in cathodes and concentrates. The company is also one of the world's largest producers of smelter and refined copper, including from third party materials.