PRESS RELEASE

**Xstrata community program targets Indigenous need**

Mount Isa, 28 February 2013

Suicide prevention, literacy programs for underprivileged children and sporting facility upgrades are the 2013 focus areas for Xstrata’s revised north Queensland community investment program.

North Queensland is now our core region for heightened corporate social investment, following the end of Xstrata’s parallel-run, Queensland-wide program which included Xstrata Coal regions.

Through the revised Xstrata Community Program North Queensland (XCPNQ), $1.7 million in funding grants have been made in 2013 to improve vital services and facilities in the north Queensland communities of Mount Isa, Cloncurry, Camooweal, Townsville and Bowen.

Camooweal is a new addition to the beneficiary list in 2013 due to the early production of nearby Xstrata Zinc Lady Loretta.

Steve de Kruijff Chief Operating Officer Xstrata Copper North Queensland said funding could now be better drilled into north Queensland’s specific needs more heavily in 2013.

“This year we’re applying more focus on responding to issues of literacy, suicide prevention and sports initiatives—relative to the overall population, our efforts are needed here. We are hoping to see positive change through these programs,” Mr de Kruijff said.

Thirteen north Queensland partnerships have been chosen in 2013, ranging from one to three year commitments, bringing the combined value of our XCPNQ investment since the program began in 2005 to almost $27 million.

Out of this, $10.5 million has supported major infrastructure developments including the Mount Isa Hospital, Family Fun Park in Mount Isa, the Community Precinct in Cloncurry, Ronald McDonald House in Townsville and a new PCYC facility in Bowen.

Brian Hearne Chief Operating Officer Xstrata Zinc Australia said the grants awarded in 2013 responded to community feedback asking for improved community services and facilities, improved infrastructure, employment and skills development, economic support and the environment.

“We try to balance our investments across the focus areas of enterprise and job creation, education, health, environment, social and community development, art and culture,” Mr Hearne said.

“Our core partnership program in XCPNQ allows us to address the material issues we’ve identified through feedback and research in the communities where we operate.”

A full list of new initiatives in north Queensland for 2013 and community partners is attached.
New 2013 North Queensland Partnerships ($1.7 million):

- **Queensland University of Technology ($250,000)** – Our funding will contribute towards the Resilient Regions Cooperative Research Centre Bid. If successful, the research program will span over seven years with quantitative and qualitative studies in four areas: productivity (local economics), people (social and environmental planning), place (urban design and architecture) and information systems (to support sharing information). Mount Isa has been selected as one of the ‘demonstrator’ communities which will be subject to extensive research.

- **Mount Isa City Council ($130,000)** – Our funding will be used to install a heating system for the city’s Aquatic Centre allowing the pool to remain open throughout the year. This will enable additional learn-to-swim classes, swim squad activities, exercise classes and general recreational use to continue through the cooler months, which will help increase the overall liveability of Mount Isa.

- **Mount Isa Basketball Association ($57,000)** – We are proud to support the upgrade of Mount Isa’s indoor basketball courts, bringing them in line with current sporting regulation codes and facilitating the creation of a multi-purpose indoor sporting arena capable of hosting netball, volleyball, badminton and futsal competitions.

- **North West Hospitals and Health Service ($100,000 + OPEX)** - Our partnership funding will be used towards the coordination of a suicide prevention project. This project will encompass suicide awareness programs for the Mount Isa and Cloncurry regions and facilitate a collaborative group of Government and NGO service providers to provide sustainable outcomes to reduce the occurrence of suicide. Additionally research will be carried out to accurately record data for analysis and evaluation and incorporate early intervention and awareness programs.

- **Queensland Police Citizens Youth Welfare Association (Cloncurry PCYC) ($40,000)** – We are pleased to once again be partnering with the Cloncurry PCYC now in the delivery of ‘The ‘Curry Shed’. This project will provide support to men in the Cloncurry community by encouraging social inclusion through participation in Men’s Shed activities.

- **Townsville Hospital Foundation ($52,877)** – We are proud to partner in the creation of a Children’s Ward Outdoor Retreat to meet the needs of older patients in the Children’s Ward of the Townsville Hospital. This initiative will benefit many patients from Mount Isa, Cloncurry, Townsville and Bowen, as well as patients from more isolated regional areas.

- **ACT for Kids ($119,300)** – We are partnering with ACT for Kids in the delivery of their ‘Learn To Be Safe With EMMY’ program. This protective behaviours program will be delivered over five weeks to around 1,500 Grade One students, as well as teachers and parents over a two-year period in Townsville.

- **Hermit Park State School ($50,000)** – We are pleased to once again be partnering with Hermit Park State School to deliver the innovative Arid Garden and Flush Away Project which will aid water conservation by delivering bore water for use in gardens and ablation blocks at the school.

- **Books in Homes ($293,816)** – We first partnered with the Charitable Foundation of Books in Homes in 2006. Our partnership will now benefit an additional three schools (total of 10 schools) or 1,850 students across Mount Isa, Cloncurry, Camooweal, Townsville and Bowen, helping underprivileged children improve their literacy skills and develop and maintain a love of reading through the provision of books.

- **Southern Gulf Catchments ($200,000)** – We partnered with Southern Gulf Catchments in 2011 and we are pleased to continue this partnership in the delivery of the Sustainable Schools and Community program to drive environmental projects to schools and community groups within north west Queensland. These projects will boost the capacity of participating groups by enabling them to undertake a wide variety of natural resource management projects that will help ensure the sustainability and liveability of north west Queensland and Gulf communities.

- **Stride Foundation ($150,000)** – Our partnership with the Stride Foundation began in 2011 and will now have the added benefit of including school holiday workshops for young indigenous and non-indigenous children in Mount Isa and Cloncurry. The Schools Sport for Life Program will also continue for children at several Mount Isa primary schools.

- **Academy of Science and Technology Engineering (ATSE, $70,000)** – In 2012 we partnered with ATSE for their Wonders of Science program and we are pleased to announce this partnership will now continue through to 2014. The Wonders of Science program inspires a love of science in primary school children with the aim of addressing long-term skills shortages for science and engineering-based professions by engaging students in science projects.
University of Queensland ($261,336) – We are partnering with the University of Queensland to fund the Chair of Metallurgical Engineering position in an aim to increase participation and passion for in Metallurgical Studies through to 2015.

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Neither the content of the company’s website nor the content of any other website accessible from hyperlinks on the company’s website is incorporated into, or forms part of, this announcement

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Notes to editors

About the Xstrata Community Program North Queensland

The Xstrata Community Program North Queensland has entered its eighth year of working in partnership with community organisations and government to address the areas of greatest need in the north Queensland communities where our employees live and work.

Funding for the program is part of Xstrata plc’s commitment to Corporate Social Involvement (CSI). The company contributes at least one percent of its pre-tax profit to community initiatives.

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

Since 2005 we have made a significant contribution to north Queensland and Xstrata has provided almost $25 million funding for projects in our local host communities such as installing computer rooms in schools, helping to train medical staff, improving medical services, and helping disadvantaged people gain skills and jobs.

About Xstrata Copper

We are the fourth largest global copper producer and one of the world’s largest producers of smelter, refined and recycled copper, including from third party materials.

The copper we produce is essential to our modern society, being used extensively in electronic, consumer and building products, and with its use in green-technologies, anti-microbial applications and ability to be recycled, it is playing a vital role in our sustainable future.
Headquartered in Brisbane, Australia, we have operations and projects in eight countries and employ over 20,000 people. We play an essential role in the communities in which we live and work, by providing jobs, training, infrastructure, income for suppliers and support for social development. For more information, visit www.xstratacopper.com.

About Xstrata Zinc

Headquartered in Madrid, Spain, Xstrata Zinc is one of the world’s largest producers of zinc and one of the commodity business units within the major global diversified mining group Xstrata plc. Xstrata’s zinc and lead operations and exploration projects are located in Australia, Canada, Germany, Peru, Spain and the United Kingdom.

Xstrata Zinc’s operations in Spain comprise the San Juan de Nieva zinc smelter and the Arnao zinc semis plant in Asturias, and the Hinojedo roasting plant in Cantabria.

In Australia, operations comprise: the Mount Isa, George Fisher underground, Handlebar Hill open cut and Black Star open cut zinc-lead mines, zinc-lead concentrator, lead smelter and Bowen Coke Works in north Queensland; the McArthur River open pit zinc-lead mine, processing and loading facility in the Northern Territory; and the Lady Loretta mine in north-west Queensland.

In Canada, operations and exploration projects include the Brunswick zinc-lead mine and lead smelter in New Brunswick; 25% of the CEZ zinc smelter near Montreal; and the Perseverance zinc deposit in Quebec.

Xstrata Zinc also operates the Nordenham zinc smelter in northern Germany; the Northfleet lead refinery in the United Kingdom; and owns 33.75% of the Antamina mine in Peru.

Around half of all zinc currently consumed is used for galvanizing steel, which is an environmentally friendly method of protecting steel against corrosion. Zinc also finds application in the manufacture of die-cast alloys, brass and the production of zinc oxides and chemicals.