



Xstrata plc

(Incorporated in England and Wales under the Companies Act 1985, with registered number 4345939)

Notice of Annual General
Meeting to be held on
9 May 2006 and
resolutions to be proposed

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to what action you should take, you are recommended to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant, fund manager or other appropriate independent financial adviser duly authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom, or from another appropriately authorised independent financial adviser if you are in a territory outside the United Kingdom.

If you sell or have sold or otherwise transferred all of your Ordinary Shares in Xstrata plc ("Ordinary Shares"), please forward this document and the accompanying documents to the purchaser or transferee or the stockbroker, bank or other agent through whom the sale or transfer is/was effected for onward transmission to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain this document and the accompanying documents.

Notice of Annual General Meeting and Resolutions to be proposed

NOTICE is hereby given that the fourth Annual General Meeting of Xstrata plc (the "Company") will be held at Congress Center Metalli, Parkhotel Zug, 6300 Zug, Switzerland on Tuesday, 9 May 2006 at 11:00 am (Central European Summer Time) with a satellite meeting held concurrently at Media & Business Complex, London Stock Exchange, 10 Paternoster Square, London EC4M 7LS at 10:00 am (British Summer Time) on Tuesday, 9 May 2006 to consider and, if thought fit, pass Resolutions 1 to 8, being items of ordinary business, and Resolutions 9 and 10, being items of special business in accordance with Article 70 of the Company's Articles of Association, as follows:

Resolutions 1 to 9 to be proposed as ordinary resolutions

1. To receive and consider and, if thought fit, adopt the Annual Report and Financial Statements of the Company, and the reports of the directors and auditors thereon, for the year ended 31 December 2005.
2. To declare a final dividend of US\$0.25 cents per Ordinary Share in respect of the year ended 31 December 2005.
3. To receive and consider and, if thought fit, to approve the directors' Remuneration Report (on pages 102 to 115 of the Annual Report) for the year ended 31 December 2005.
4. To re-elect Ivan Glasenberg, being a non-executive director retiring in accordance with Article 128 of the Company's Articles of Association.
5. To re-elect Robert MacDonnell, being a non-executive director retiring in accordance with Article 128 of the Company's Articles of Association.
6. To re-elect Dr. Frederik Roux, being a non-executive director retiring in accordance with Article 128 of the Company's Articles of Association.
7. To re-elect Santiago Zaldumbide, being an executive director retiring in accordance with Article 128 of the Company's Articles of Association.
8. To re-appoint Ernst & Young LLP as auditors to the Company to hold office until the conclusion of the next general meeting at which accounts are laid before the Company and to authorise the directors to determine the remuneration of the auditors.

Special Business

9. That in place of all existing authorities and pursuant to the authority conferred on the directors by Article 14 of the Company's Articles of Association, the directors be authorised to allot relevant securities for a period expiring (unless previously renewed, varied or revoked) at the end of the next Annual General Meeting of the Company after the date on which this resolution is passed and for that period the section 80 amount shall be US\$108,477,815 (equivalent to 216,955,630 ordinary shares of US\$0.50 each in the capital of the Company).

Resolution 10 to be proposed as a special resolution

10. That in place of all existing powers and pursuant to the power conferred on the directors by Article 15 of the Company's Articles of Association, the directors be authorised to allot equity securities, as if section 89(1) of the Companies Act 1985 did not apply, for a period expiring at the end of the next Annual General Meeting of the Company after the date on which this resolution is passed and for that period the section 89 amount is US\$16,271,672 (equivalent to 32,543,344 ordinary shares of US\$0.50 each in the capital of the Company).

By order of the Board

Richard Elliston

Secretary

10 April 2006

Registered Office: 4th Floor, Panton House, 25/27 Haymarket, London SW1Y 4EN, United Kingdom

Explanatory Notes

Resolution 1

The directors must present the report of the directors and the accounts of the Company for the year ended 31 December 2005 to shareholders at the Annual General Meeting. The report of the directors, the accounts, the directors' Remuneration Report, the report of the Company's auditors on the accounts and on those parts of the directors' Remuneration Report that are capable of being audited are contained within the Annual Report.

Resolution 2

Subject to the passing of Resolution 2 set out in the Notice of Annual General Meeting, the final dividend for the year ended 31 December 2005 will be paid on 19 May 2006 to shareholders on the register at the close of business on 28 April 2006.

Resolution 3

In line with best practice in corporate governance (and reflected in the Directors' Remuneration Report Regulations 2002), the Board of directors of the Company has presented its directors' Remuneration Report to shareholders in the Annual Report.

The directors' Remuneration Report, which may be found on pages 102 to 115 of the Annual Report, gives details of the directors' remuneration for the year ended 31 December 2005 and sets out the Company's overall policy on directors' remuneration. As required by the Directors' Remuneration Report Regulations, the Company's auditors, Ernst & Young LLP, have audited those parts of the directors' Remuneration Report capable of being audited and their report may be found on page 112 of the Annual Report.

The Board of directors considers that appropriate executive remuneration plays a vital part in helping to achieve the Company's overall objectives and, accordingly, and in compliance with the Directors' Remuneration Report Regulations, shareholders will be invited to approve the directors' Remuneration Report.

Resolutions 4, 5, 6 and 7

Resolutions 4, 5, 6 and 7 set out in the Notice of Annual General Meeting concern the re-election to the Board of directors of the Company of **Ivan Glasenberg** (non-executive director and nominee of Glencore International AG), **Robert MacDonnell** (non-executive and independent director), **Frederik Roux** (non-executive and independent director) and **Santiago Zaldumbide** (executive director), together referred to as the "retiring directors". The Board of directors recommends the shareholders to vote in favour of each of these resolutions. In making this recommendation the Board of directors has been guided by the recommendation of the Board's Nomination Committee. The Board of directors was informed of the results of formal performance evaluations of the three non-executive directors and is of the view that, in the case of each of the retiring directors, his performance continues to be effective and each continues to show commitment to his individual and collective roles and the Board is of the opinion that it will continue to benefit from the skills, knowledge and experience which each retiring director brings to his role.

Ivan Glasenberg, aged 49, is Chief Executive Officer of Glencore International AG, a major shareholder of the Company, which he joined in 1984. Mr. Glasenberg was appointed to the Board of directors of the Company in February 2002 and is a nominee of Glencore International. He has worked in the coal department of Glencore in South Africa for three years and in Australia for two years. From 1989 to 1990, he managed Glencore International's Hong Kong and Beijing offices. In 1991 he became Head of the Coal Department and in 2002 Chief Executive Officer of Glencore International. He is also currently a director of Minara Resources Limited.

Mr. Glasenberg is a member of the Nominations Committee.

Robert MacDonnell, aged 68, joined the Board of directors of Xstrata AG in May 1997, and was appointed to the Board of directors of the Company in February 2002. Prior to joining Kohlberg Kravis Roberts & Co. ("KKR") in 1976, Mr. MacDonnell was a management consultant at Arthur Andersen & Co. He subsequently formed his own firm, which specialised in small management buyouts. Mr. MacDonnell became the first non-founding partner of KKR in 1982 and participated in virtually all investment decisions until the firm expanded in the late 1980s. Mr. MacDonnell is also currently a director of Safeway, Inc. and US Natural Resources, Inc.

Mr. MacDonnell is a member of the Nominations Committee.

Dr. Frederik Roux, aged 58, joined Johannesburg Consolidated Investment Company Limited in 1976, where he held positions in the Finance, Base Metals, Gold and Platinum divisions. In 1990, he joined Gencor Limited where he became Chairman of Alusaf and Executive Director responsible for Gencor Base Metals and Heavy Minerals. Since 1997, he has pursued private business interests in game ranching and safaris in South Africa. Dr. Roux is also Chairman of Impala Platinum Holdings Limited. Dr. Roux was appointed to the Board of directors of the Company in February 2002.

Dr. Roux is a member of the Audit Committee and the Health, Safety, Environment & Community Committee.

Santiago Zaldumbide, aged 63, is an executive director of Xstrata, Chief Executive of Xstrata Zinc and Executive Chairman of Asturiana de Zinc. Mr. Zaldumbide was appointed to the Board of directors of the Company in February 2002. He is a previous Chief Executive Officer and Director of Union Explosivos Rio Tinto and of Petroleos del Norte. In 1990, Petroleos del Norte became part of the Repsol Oil Group where Mr. Zaldumbide was responsible for establishing the international structure of the enlarged Repsol Oil Group. In 1994 he was appointed Chief Executive Officer of the Corporación Industrial de Banesto and in December 1997 Chairman and Chief Executive Officer of Asturiana de Zinc. Mr. Zaldumbide is also a director of Carbueros Metálicos SA, and ThyssenKrupp SA.

Resolution 8

The auditors of a company must be re-appointed at each general meeting at which the accounts are laid. Resolution 8 set out in the Notice of Annual General Meeting proposes the re-appointment of the Company's existing auditors, Ernst & Young LLP, until the conclusion of the next general meeting of the Company at which accounts are laid and gives authority to the directors to determine the auditors' remuneration.

Resolution 9

The authority conferred on the directors at last year's Annual General Meeting to allot and issue authorised but unissued share capital of the Company expires at the end of the forthcoming Annual General Meeting.

Resolution 9 set out in the Notice of Annual General Meeting, which will be proposed as an ordinary resolution, seeks to authorise the directors to allot relevant securities (as defined in section 80(2) of the Companies Act 1985) of the Company up to an aggregate nominal value of US\$108,477,815, which is equal to approximately one-third (33.33%) of the Company's issued ordinary share capital as at 29 March 2006. This authority will expire at the end of the next Annual General Meeting of the Company.

The directors have no present intention of exercising this authority. The directors consider the renewal of this authority appropriate in order to retain maximum flexibility to take advantage of business opportunities as they arise.

At the date of the Notice of Annual General Meeting, the Company holds no treasury shares.

Resolution 10

The authority conferred on the directors at last year's Annual General Meeting to issue equity securities of the Company for cash without the application of pre-emption rights pursuant to section 89 of the Companies Act 1985 expires at the end of the forthcoming Annual General Meeting.

Resolution 10 set out in the Notice of Annual General Meeting, which will be proposed as a special resolution, seeks to renew the directors' authority to issue equity securities of the Company for cash without the application of such pre-emption rights. Other than in connection with a rights, scrip dividend, or other similar issue, the authority contained in Resolution 10 set out in the Notice of Annual General Meeting will be limited to a maximum nominal amount of US\$16,271,672, which represents approximately 5% of the Company's issued ordinary share capital as at 29 March 2006. This authority will expire at the end of the next Annual General Meeting of the Company.

The directors have no present intention of exercising this authority. The directors consider the renewal of this authority appropriate in order to retain maximum flexibility to take advantage of business opportunities as they arise.

At the date of the Notice of Annual General Meeting, the Company holds no treasury shares. Any sale of treasury shares would be treated as an issue of shares for the purposes of Resolution 10 set out in the Notice of Annual General Meeting.

Recommendation of the Board of directors with respect to all items of business

The Board of directors is of the opinion that all of the proposed resolutions set out in the Notice of Annual General Meeting are in the best interests of shareholders as a whole and of the Company. Accordingly, the Board of directors recommends that you vote in favour of each of the resolutions set out in the Notice of Annual General Meeting, as the directors intend to do in respect of their own beneficial shareholdings held at the time of the Annual General Meeting.

Note 1

A member entitled to attend and vote at the Annual General Meeting (the "AGM") is entitled to appoint one or more proxies to attend and vote instead of them. The proxy need not also be a member of the Company. A proxy of a member's own choice may be appointed by inserting the proxy's name on the Form of Proxy in the space provided. If a Form of Proxy is returned without an indication as to how the proxy shall vote on any resolution, the proxy will exercise his/her discretion as to whether, and if so how, he/she votes on that resolution.

Note 2

To be valid, a Form of Proxy and, if applicable, any authority under which it is signed, or a copy of such authority certified in accordance with the Company's Articles of Association, must be lodged at the offices of Computershare Investor Services PLC, PO Box 1075, The Pavilions, Bristol, BS99 3FA, UK, not later than (i) 10:00 a.m. (British Summer Time) on Sunday, 7 May 2006; or (ii) not less than 48 hours before the time of any adjourned meeting; or (iii) where a poll is taken more than 48 hours after it is demanded, after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll. Where a poll is not taken forthwith but is taken not more than 48 hours after it was demanded, a Form of Proxy may be valid if it is delivered at the meeting at which the poll was demanded to the chairman of the meeting or to the Company secretary or to any director. CREST members may also choose to utilise the CREST electronic proxy appointment service in accordance with the procedures set out in Note 13. The lodging of the Form of Proxy (or the electronic appointment of a proxy) will not preclude shareholders from attending and voting in person at the AGM, should they so wish.

Note 3

To be valid, a Form of Proxy must be signed by the holder or any person duly authorised by the holder or, if the holder is a corporation, executed by a duly authorised person or under its common seal or in any other manner authorised by its constitution.

Note 4

In the case of joint holders, the signature of any one holder is sufficient. If more than one holder lodges a Form of Proxy only that of the holder first named on the Company's Register of Members will be regarded as valid.

Note 5

Any alteration made to a Form of Proxy should be initialled.

Note 6

The Company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those shareholders registered in the Register of Members of the Company as at 6:00 p.m. (British Summer Time) on Sunday, 7 May 2006 (or, in the event that the AGM is adjourned, in the Register of Members 48 hours before the time of any adjourned meeting(s)) shall be entitled to attend or vote at the AGM in respect of the number of shares registered in their name at that time. Changes to entries on the Register of Members after 6:00 p.m. (British Summer Time) on Sunday, 7 May 2006 (or, in the event that the AGM is adjourned, on the Register of Members 48 hours before the time of any adjourned meeting(s)) shall be disregarded in determining the rights of any person to attend or vote at the meeting.

Note 7

Resolutions 1 to 9, being ordinary resolutions, will be decided by a show of hands unless a poll is demanded in the manner permitted by the Company's Articles of Association.

Resolution 10, being a special resolution, must be taken on a poll as required by the Company's Articles of Association.

Note 8

On a show of hands, each member present in person or by proxy has one vote. If a person holds more than one proxy to vote in different ways, then that person may vote for and against on a show of hands, although this will only count as one vote in each sense, without regard to the number of shares in respect of which the proxy has been appointed.

Note 9

As permitted by the Company's Articles of Association, the chairman of the meeting (or at least five members present in person or by proxy having the right to vote at the AGM or any member or members present in person or by proxy representing not less than one-tenth of the total voting rights of all the members having the right to vote at the AGM) may demand a poll. On a poll, each member present in person or by proxy has one vote for each fully paid share of which he is a holder.

Note 10

As permitted by the Company's Articles of Association, a proxy appointment will (a) include the right: (i) to demand, or join in demanding, a poll; (ii) to speak at a meeting; (iii) to vote on any amendment of a resolution as the proxy thinks fit; and (b) (unless it provides to the contrary) be valid for any adjournment of the meeting.

Note 11

As permitted by the Company's Articles of Association, members present in person or by proxy at the satellite meeting will be treated as present at the meeting and entitled to vote.

Note 12

A proxy appointment which is not delivered or received in accordance with these notes and the Company's Articles of Association shall be invalid. When two or more valid proxy appointments are delivered or received in respect of the same share for use at the AGM, the one which was executed last shall be treated as replacing and revoking the others as regards that share; if the Company is unable to determine which was executed last, none of them shall be treated as valid in respect of that share.

Note 13

CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the AGM to be held on Tuesday, 9 May 2006 and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate message (a "CREST Proxy Instruction") must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Computershare Investor Services PLC (ID 3RA50) by (i) 10.00 a.m. (British Summer Time) on Sunday, 7 May 2006; or (ii) not less than 48 hours before the time of any adjourned meeting; or (iii) where a poll is taken more than 48 hours after it is demanded, after the poll has been demanded and not less than 24 hours before the time appointed for the taking of the poll. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Computershare Investor Services PLC is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After such time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that CRESTCo does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat as invalid a CREST Proxy Instruction in accordance with the provisions of the Uncertificated Securities Regulations 2001.

Note 14

The following documents will be available for inspection at the AGM with copies available at the satellite meeting for at least 15 minutes prior to and during the AGM:

- i) directors' service contracts;
- ii) the Register of Directors' Interests.

Copies of directors' service contracts will be made available for inspection by any person at the registered office of the Company during normal business hours on each business day from the date of posting of the Notice of AGM up to the end of the AGM.



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