



Xstrata plc
Registered Office: 4th Floor, Panton House,
25/27 Haymarket, London SW1Y 4EN
Registered in England and Wales
Company Number 4345939

**Notice of Annual General Meeting
to be held on 5 May 2009
and resolutions to be proposed**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of the proposals referred to in this document or 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 who is authorised under the Financial Services and Markets Act 2000, as amended, 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 transfer 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 transfer or have sold or otherwise transferred only part of your holding of Ordinary Shares, you should retain this document and the accompanying documents.

Whether or not you propose to attend the Annual General Meeting, please complete and submit a proxy form in accordance with the instructions printed on the enclosed form. The proxy form must be received not less than 48 hours before the time of the holding of the Annual General Meeting.

Notice of Annual General Meeting and resolutions to be proposed

Notice is hereby given that the seventh Annual General Meeting (the "AGM") of Xstrata plc (the "Company") will be held at Theater-Casino Zug, Artherstrasse 2-4, Zug, Switzerland on Tuesday, 5 May 2009 at 11:00 a.m. (Central European Summer Time) to consider and, if thought fit, pass resolutions 1 to 7, being items of ordinary business, and resolutions 8 and 9, being items of special business in accordance with Article 70 of the Company's Articles of Association, as follows:

Resolutions 1 to 8 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 2008.
2. To receive and consider and, if thought fit, to approve the Directors' Remuneration Report (on pages 98 to 107 of the Annual Report) for the year ended 31 December 2008.
3. To re-elect Ivan Glasenberg, being a non-executive director of the Company retiring in accordance with Article 128 of the Company's Articles of Association.
4. To re-elect Trevor Reid, being an executive director of the Company retiring in accordance with Article 128 of the Company's Articles of Association.
5. To re-elect Santiago Zaldumbide, being an executive director of the Company retiring in accordance with Article 128 of the Company's Articles of Association.
6. To elect Peter Hooley, as a non-executive director of the Company on the recommendation of the Board, in accordance with Article 129 of the Company's Articles of Association.
7. 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

8. That in place of all existing authorities, the directors be authorised to allot relevant securities (as defined in the Companies Act 1985):
 - (A) up to a nominal amount of US\$488,835,270 (equivalent to 977,670,540 ordinary shares of US\$0.50 each in the capital of the Company); and
 - (B) comprising equity securities (as defined in the Companies Act 1985) up to a nominal amount of US\$977,670,540 (equivalent to 1,955,341,080 Ordinary Shares of US\$0.50 each in the capital of the Company) (including within such limit any shares issued under (A) above) in connection with an offer by way of a rights issue:
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to people who are holders of other equity securities if this is required by the rights of those securities or, if the Board considers it necessary, as permitted by the rights of those securities,

and so that the directors may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter,

such authorities to apply until the end of the next AGM but, in each case, so that the Company may make offers and enter into agreements during the relevant period which would, or might, require relevant securities to be allotted after the authority ends and the directors may allot relevant securities under any such offer or agreement as if the authority had not ended.

Resolution 9 to be proposed as a special resolution

9. That in place of all existing authorities and provided resolution 8 is passed, the directors be given power to allot equity securities (as defined in the Companies Act 1985) for cash under the authority given by that resolution and/or where the allotment constitutes an allotment of equity securities by virtue of section 94(3A) of the Companies Act 1985, free of the restriction in section 89(1) of the Companies Act 1985, such power to be limited:

- (A) to the allotment of equity securities in connection with an offer of equity securities (but in the case of the authority granted under resolution 8(B), by way of a rights issue only):
 - (i) to ordinary shareholders in proportion (as nearly as may be practicable) to their existing holdings; and
 - (ii) to people who are holders of other equity securities, if this is required by the rights of those securities or, if the directors consider it necessary, as permitted by the rights of those securities,

and so that the directors may impose any limits or restrictions and make any arrangements which it considers necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in, or under the laws of, any territory or any other matter; and

- (B) in the case of the authority granted under resolution 8(A), to the allotment (otherwise than under (A) above) of equity securities up to a nominal amount of US\$73,325,290.50 (equivalent to 146,650,581 ordinary shares of US\$0.50 each in the capital of the Company),

such power to apply until the end of next year's AGM but during this period the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted after the power ends and the directors may allot equity securities under any such offer or agreement as if the power had not ended.

By order of the Board

Richard Elliston
Secretary

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

18 March 2009

Notes

Note 1

Voting on all resolutions at the meeting will be by way of a poll. On a poll, each member present in person or by proxy has one vote for each fully paid Ordinary Share of which he/she is a holder.

Note 2

A member entitled to attend and vote at the Annual General Meeting (the "AGM") is entitled to appoint one or more proxies to exercise all or any of his/her rights to attend, speak and vote instead of him/her, provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. The proxy need not also be a member of the Company. A proxy 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. A proxy form which may be used to make such an appointment and give proxy instructions accompanies this notice.

Note 3

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, The Pavilions, Bridgwater Road, Bristol BS99 6ZY UK, not later than (i) 10:00 am (British Summer Time) on Sunday, 3 May 2009; 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.

Proxies may also be appointed by going to www.eproxyappointment.com and following the instructions provided there. CREST members may also choose to utilise the CREST electronic proxy appointment service in accordance with the procedures set out in Note 10. 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 4

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 5

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 6

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

Note 7

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 pm (British Summer Time) on Sunday, 3 May 2009 (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 Ordinary Shares registered in their name at that time. Changes to entries on the Register of Members after 6:00 pm (British Summer Time) on Sunday, 3 May 2009 (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 8

As permitted by the Company's Articles of Association, a proxy appointment will (a) include the right: (i) to speak at a meeting; and (ii) 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 9

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 10

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, 5 May 2009 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 one or more 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 Euroclear'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 am (British Summer Time) on Sunday, 3 May 2009; 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 Euroclear 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/her 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 11

Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may have a right, under an agreement between him and the shareholder by whom he was nominated, to be appointed (or to have someone else appointed) as a proxy for the AGM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

The statement of the rights of shareholders in relation to the appointment of proxies does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

Note 12

As of 18 March 2009 (being the last practicable date prior to the publication of this Notice) the Company's issued share capital consists of 2,933,011,620 Ordinary Shares, carrying one vote each, 50,000 non-voting deferred share carrying no votes and one special voting share which carries the right to vote in certain circumstances. Therefore, the total voting rights in the Company as of 18 March 2009 are 2,933,011,620.

Note 13

In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (a) if a corporate shareholder has appointed the Chairman of the meeting as its corporate representative to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the Chairman and the Chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (b) if more than one corporate representative for the same corporate shareholder attends the meeting but the corporate shareholder has not appointed the Chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives (<http://www.icsa.org.uk/>) for further details of this procedure. The guidance includes a sample form of appointment letter if the Chairman is being appointed as described in (a) above.

Note 14

The following documents will be available for inspection by any person during normal business hours on any weekday at the Company's registered address until the time of the AGM, and at Theater-Casino Zug, Artherstrasse 2-4, Zug, Switzerland from 15 minutes before the AGM until it ends:

- i) Copies of the directors' service contracts; and
- ii) Copies of the letters of appointment of the non-executive directors.

Explanatory notes

The notes on the following pages give an explanation of the proposed resolutions.

Resolutions 1 to 8 are proposed as ordinary resolutions. A simple majority in favour is required to pass these resolutions. Resolution 9 is a special resolution. For this resolution to be passed, at least three quarters of the votes cast must be in favour of the resolution.

In order to ensure the voting intentions of all members are taken into account, not just those who are able to attend the AGM, all resolutions will be put to shareholders by way of a poll. Shareholders attending the AGM will still have the opportunity to ask questions, form a view on the points raised and vote on each resolution.

Resolution 1

The directors must present the report of the directors and the accounts of the Company for the year ended 31 December 2008 to shareholders at the AGM for formal adoption.

Resolution 2

The Directors' Remuneration Report, which may be found on pages 98 to 107 of the Annual Report is submitted for approval by shareholders. The report gives details of the directors' remuneration for the year ended 31 December 2008 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 111 of the Annual Report.

Resolutions 3, 4 and 5

Resolutions 3, 4, and 5 set out in the Notice of Annual General Meeting concern the re-election to the Board of Ivan Glasenberg (non-executive director), Trevor Reid (executive director and Chief Financial Officer) and Santiago Zaldumbide (executive director). The Board recommends the shareholders to vote in favour of each of these resolutions. In making this recommendation the Board has been guided by the recommendation of the Board's Nomination Committee. The Board was informed of the results of formal performance evaluations of these directors and is of the view that, in the case of each, 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 director brings to his role. Ivan Glasenberg, Trevor Reid and Santiago Zaldumbide took no part in the Board's consideration of their own re-election or performance evaluation.

Ivan Glasenberg, aged 52, was appointed to the Board of Xstrata in February 2002. Mr. Glasenberg is Chief Executive Officer of Glencore International, which he joined in 1984. He 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 Glencore Coal Department and in 2002 Chief Executive Officer of Glencore International. He is also currently a director of Minara Resources Limited and United Company Rusal Limited.

Trevor Reid, aged 48, is the Chief Financial Officer of Xstrata. Mr Reid joined Xstrata AG in January 2002, and was appointed to the Board of Xstrata in February 2002. Prior to joining Xstrata, he was Global Head of Resource Banking at the Standard Bank Group. He joined the Standard Bank Group in 1997 from Warrior International Limited, a corporate finance boutique specialising in the minerals sector.

Santiago Zaldumbide, aged 66, 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 Xstrata 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 member of the European Advisory Council of Air Products and Chemicals, Inc. and a director of ThyssenKrupp SA.

Resolution 6

Resolution 6, set out in the Notice of Annual General Meeting, concerns the election to the Board of Peter Hooley.

Mr Hooley, aged 62, was until 2006, Group Finance Director of Smith & Nephew plc, a global medical devices business listed on the FTSE index. He was previously Group Financial Controller of BICC plc. Since 2002, he has been a non-executive director of Cobham plc, the aerospace and defence group and is Chairman of its Audit Committee. He is also a director and Chairman of BSN medical, a medical textiles business group and, from 1997 to 2000, was a non-executive director of Powell Duffryn plc.

Resolution 7

The auditors of a company must be re-appointed at each general meeting at which the accounts are laid. Resolution 7 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 8

The authority conferred on the directors at the Extraordinary General Meeting held on 2 March 2009 to allot and issue authorised but unissued share capital of the Company will, if resolution 8 is passed, be revoked and replaced at the end of the forthcoming AGM by the authority proposed by resolution 8.

Resolution 8, which will be proposed as an ordinary resolution, seeks to authorise the directors to allot relevant securities (as defined in the Companies Act 1985):

- (A) up to an aggregate nominal value of US\$488,835,270 which is equal to approximately one-third (33.33%) of the Company's issued ordinary share capital as of 18 March 2009; and
- (B) comprising equity securities (as defined in the Companies Act 1985) up to a nominal amount of US\$977,670,540 which is equal to approximately two-thirds (66.7%) of the Company's issued ordinary share capital as of 18 March 2009 in connection with an offer by way of a rights issue.

The Association of British Insurers has revised its guidelines on share allotments following a report of the Rights Issue Review Group. Based on the new guidelines, the cap on the annual allotment authority under section 80 of the Companies Act 1985 has been increased from one-third to two-thirds of issued share capital but the amount of any authority above one-third has to be applied only to fully pre-emptive rights issues, and can be raised for one year only. If the additional authority is taken and a decision is taken to make an issue pursuant to such authority, the ABI expects that all directors wishing to remain in office will stand for re-election at the next AGM after the decision to make the issue in question.

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.

Resolution 9

The authority conferred on the directors at the Extraordinary General Meeting held on 2 March 2009 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 AGM. Such authority will, if resolution 9 is passed, be replaced at the end of the forthcoming AGM by the authority proposed by resolution 9.

Resolution 9, 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 this resolution will be limited to a maximum nominal amount of US\$73,325,290.50, which represents approximately 5% of the Company's issued ordinary share capital as of 18 March 2009. This authority will expire at the end of the next AGM 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 AGM, the Company holds no treasury shares. Any sale of treasury shares would be treated as an issue of shares for the purposes of this resolution.

Recommendation of the Board with respect to all items of business

The Board is of the opinion that all of the proposed resolutions are in the best interests of shareholders as a whole and of the Company. Accordingly, the Board (with the exception of Messrs Glasenberg, Reid and Zaldumbide in respect of resolutions 3, 4 and 5 respectively) recommends that you vote in favour of each resolution, as the directors intend to do in respect of their own beneficial shareholdings held at the time of the AGM.