



PRESS RELEASE

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99.7 PER CENT ACCEPTANCE OF XSTRATA RIGHTS ISSUE

Zug, 2 June 2003

Xstrata announces that by 10.30 am on 2 June 2003, the latest time and date for acceptance and payment in full for the Stock Units under the terms of the Rights Issue announced on 7 April 2003, valid acceptances were received in respect of 377,847,462 Stock Units, representing approximately 99.7 per cent. of the convertible unsecured loan stock offered pursuant to the Rights Issue at 245 pence per Stock Unit. In accordance with their underwriting obligations in respect of the Rights Issue, Deutsche Bank and JPMorgan will be seeking subscribers for the remaining 1,053,954 Stock Units.

The Stock Units will commence trading on the London Stock Exchange's main market for listed securities and on the SWX on 3 June 2003 and, subject to the satisfaction of the conditions to their conversion, are expected to convert into fully paid ordinary shares in Xstrata on 12 June 2002 on the basis of 1 fully paid ordinary share for each Stock Unit, with dealings in such shares on the London Stock Exchange's main market for listed securities and on the SWX commencing on 13 June 2003.

Further details relating to the Rights Issue and the acquisition of M.I.M Holdings Limited are set out in the Prospectus dated 7 April 2003 (as amended by the supplementary prospectus dated 17 April 2003).

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Deutsche Bank, JPMorgan and J.P. Morgan Securities Ltd., are acting for Xstrata plc and no one else in connection with the Acquisition and the Rights Issue and will not be responsible to anyone other than Xstrata plc for providing the protections afforded to clients of Deutsche Bank, JPMorgan and J.P.Morgan Securities Ltd., nor for giving advice in relation to the Acquisition and the Rights Issue or any other matter referred to in this announcement.

Defined terms used in this announcement are the same as those used in Xstrata's circular in respect of the Acquisition and Rights Issue dated 7 April 2003 unless stated otherwise.