



NEWS RELEASE

XSTRATA ALLOYS APPOINTS NEW CHIEF FINANCIAL OFFICER

Rustenburg, 5th September 2006

Xstrata Alloys announces the appointment of Mark Moffett as Chief Financial Officer, Xstrata Alloys, reporting to Peet Nienaber, Xstrata Alloys Chief Executive. Shaun Usmar, former Chief Financial Officer, Xstrata Alloys, has been appointed as Chief Financial Officer, Xstrata Nickel, a newly created global commodity business within the Xstrata Group following the acquisition of Falconbridge Limited, based in Toronto, Canada.

Mark Moffett joins Xstrata from Debswana Diamond Company of Botswana, where he held the position of Group Finance Manager. Before that he held the position of Group Finance Manager for the De Beers Group in South Africa. He will take up his new position on 18 September 2006.

Peet Nienaber, Chief Executive, Xstrata Alloys, said: "We are sorry to see Shaun go but wish him every success in his new role in Canada. In the two years Shaun spent as CFO of Xstrata Alloys, he made a very important contribution to the business. In particular, Shaun was instrumental in entrenching the Xstrata-Merafe Chrome Venture, restructuring the finance function and concluding an agreement with Anglo Platinum to establish the Mototolo PGM Joint Venture, followed by the sale of 26% of Xstrata's participation in the Venture to Kagiso Trust Investments to satisfy our BEE obligations.

"I am delighted that Mark will join Xstrata Alloys, bringing with him a wealth of financial experience in the mining industry. I look forward to working with him to continue the progress made at Xstrata Alloys to optimise our business and achieve meaningful empowerment."

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Xstrata Contacts

Songezo Zibi
Telephone +27 11 250 0064
Mobile +27 82 303 8176
Email szibi@xstrata.co.za

Claire Divver
Telephone +44 20 7968 2871
Mobile +44 7785 964340
Email cdivver@xstrata.com