



NEWS RELEASE

XSTRATA PLC ANNOUNCES PRICING OF DEBUT NOTES OFFERING

Zug, 8 November 2006

Xstrata plc ("Xstrata") has completed the pricing of its US\$2.25 billion debut global bond offering launched on 6 November 2006.

Xstrata's subsidiary Xstrata Finance (Dubai) Limited will issue US\$500,000,000 of floating rate notes due 2009 which will bear interest at a floating rate equal to three-month LIBOR plus 0.35% per annum.

Xstrata's subsidiary Xstrata Finance (Canada) Limited will issue US\$750,000,000 of 5.50% fixed rate notes due 2011 and US\$1,000,000,000 of 5.80% fixed rate notes due 2016. Settlement is expected to occur on or about 15 November 2006.

Proceeds from these transactions will be used to repay a portion of the outstanding amount under the group's bridge loan facilities, which were drawn down for the purpose of financing the acquisition of Falconbridge Ltd.

The Xstrata Finance (Dubai) Limited issue will be guaranteed by Xstrata, Xstrata (Schweiz) AG and Xstrata Finance (Canada) Limited. The Xstrata Finance (Canada) Limited issues will be guaranteed by Xstrata, Xstrata (Schweiz) AG and Xstrata Finance (Dubai) Limited.

The securities offered have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") or any relevant securities laws of any state or other jurisdiction and may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act. Accordingly, the securities will be offered and sold only (1) inside the United States to Qualified Institutional Buyers (QIBs as defined in Rule 144A under the Securities Act) and (2) outside the US to persons other than US persons in reliance on Regulation S under the Securities Act.

Members of the general public are not eligible to take part in the offering. In the United Kingdom, the promotion of this offering is restricted by Section 21 of the Financial Services and Markets Act 2000 ("FSMA"). This announcement is directed exclusively at (a) persons who have professional experience in matters relating to investments who fall within Article 19(5) (Investment Professionals) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001 (as amended) ("the Order") or (b) are persons falling within Article 49(2)(a) to (d) (high net worth companies, unincorporated associations etc) of the Order or (c) other persons to whom it may be directed

without contravention of Section 21 of FSMA (all such persons together being referred to as "relevant persons"). This announcement must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relations is available only to relevant persons and will be engaged in only with relevant persons.

This press release does not constitute an offer to sell or the solicitation of an offer to buy debt securities in the US or any other jurisdiction.

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