



**NEWS RELEASE**

**XSTRATA OFFER DOCUMENTS AND LIONORE DIRECTORS' CIRCULAR  
DELIVERED IN RESPECT OF XSTRATA'S  
C\$18.50 PER SHARE CASH OFFER FOR LIONORE**

Toronto and Zug, 9 April 2007

Xstrata plc ("Xstrata") and LionOre Mining International Ltd. ("LionOre") announce that Xstrata's formal offer documents in respect of the offer to acquire the outstanding common shares of LionOre at a price of C\$18.50 in cash per share have been filed with the Canadian securities regulators. LionOre has also filed its directors' circular recommending LionOre shareholders accept the offer. Both documents were mailed to LionOre's registered shareholders on 5 April 2007.

On 26 March 2007, Xstrata and LionOre announced Xstrata's intention to make a friendly take-over bid for LionOre, valuing the total common share capital of LionOre at approximately C\$4.6 billion (approximately US\$4 billion).

The offer is open for acceptance until 8:00 pm (Toronto time) on Friday 25 May 2007, unless extended or withdrawn.

Full particulars of the offer are set out in the offer and offering circular filed by Xstrata and the directors' circular filed by LionOre. These documents are available on the Canadian Securities Administrators' website at [www.sedar.com](http://www.sedar.com) under LionOre's company profile, on the Xstrata website at [www.xstrata.com](http://www.xstrata.com) and on the LionOre website at [www.lionore.com](http://www.lionore.com).

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LionOre shareholders with questions should contact:  
**Kingsdale Shareholder Services Inc.**

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### **Legal Notice**

The offer referred to above (the "Offer") is being made by Xstrata Canada Acquisition Corp. (the "Offeror"), a wholly-owned indirect subsidiary of Xstrata.

This announcement is for informational purposes only and does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security. The Offer (as the same may be varied or extended in accordance with applicable law) is being made exclusively by means of, and subject to the terms and conditions set out in, the offer and offering circular document mailed to LionOre shareholders and filed with Canadian provincial securities regulators by Xstrata and the Offeror. LionOre shareholders should read these materials carefully because they contain important information, including the terms and conditions of the Offer.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions,

Each of Macquarie Bank Limited, TD Securities Inc. and TD Securities (USA) LLC is acting exclusively for Xstrata and the Offeror and no one else in connection with the Offer and will not be responsible to anyone other than Xstrata and the Offeror for providing the protections afforded to its clients or for providing advice in relation to the Offer and/or any other matter referred to in this announcement.

Neither the content of Xstrata's website, LionOre's website or any other website nor the content of any website accessible from hyperlinks on Xstrata's website, LionOre's website or any other website is incorporated into, or forms part of, this announcement.

### **Forward-Looking Statements**

This document contains statements which are, or may be deemed to be, "forward looking statements" which are prospective in nature. Forward-looking statements are not based on historical facts, but rather on current expectations and projections about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. Such forward looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Xstrata to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements. Important factors that could cause actual results, performance or achievements of Xstrata to differ materially from the expectations of Xstrata include, among other things, general business and economic conditions globally, commodity price volatility, industry trends, competition, changes in government and other regulation, including in relation to the environment, health and safety and taxation, labor relations and work stoppages, changes in political and economic stability, the failure to meet certain conditions of the Offer and/or the failure to obtain the required approvals or clearances from regulatory and other agencies and bodies on a timely basis or at all, the inability to successfully integrate LionOre's operations and programs with those of Xstrata, incurring and/or experiencing unanticipated costs and/or delays or difficulties relating to integration of LionOre, disruptions in business operations due to reorganization activities and interest rate and currency fluctuations. Such forward-looking statements should therefore be construed in light of such factors.

Other than in accordance with its legal or regulatory obligations (including under the UK Listing Rules and the Disclosure and Transparency Rules of the Financial Services Authority), Xstrata is not under any obligation and Xstrata expressly disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.