



MEDIA STATEMENT – 5 July 2007

XSTRATA COAL RESPONSE TO GLOUCESTER VOTE

Xstrata Coal today announced it was disappointed with the outcome of this morning's vote by Gloucester shareholders not to support Xstrata Coal's scheme of arrangement to purchase all shares at \$4.75 per share.

Xstrata Coal Chief Executive, Peter Coates, said, "We are disappointed with today's vote and believe Xstrata Coal's offer was fair and provided good value for Gloucester shareholders.

"Today Xstrata Coal has demonstrated it is only prepared to pay what we perceive to be full value.

"We would like to thank the Gloucester Board and management for their support of the scheme."

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