



## NEWS RELEASE

### **XSTRATA NICKEL TO INVEST \$8.7 MILLION IN THAYER-LINDSLEY MINE AND EXTEND MINE LIFE**

Toronto, 23 July 2007

Xstrata Nickel today announced it will invest C\$8.7 million in its Thayer-Lindsley mine in Sudbury in order to extend the mine life by over one year and enhance productivity at the operation.

The project will include more than 1,100 metres of lateral development to access ore, improved ore pass design, a new truck chute and new mine equipment. Work will be completed by August 2008.

"The investments we are making are in line with Xstrata Nickel's focus on growth and on maximizing the potential of our operations. The investments will result in improved ore handling and more efficient movement of people and equipment at Thayer-Lindsley," said Mike Romaniuk, Vice-President of Sudbury Operations at Xstrata Nickel. "This project will also provide us access to additional ore and extend the mine life by at least one year."

As a result of this investment, the mine life at Thayer-Lindsley has been extended to the end of 2012.

The Thayer-Lindsley mine began production in 1991 and produces nickel, copper and precious metals. The mine shaft is 1,585 metres deep. The mine employs approximately 195 employees and contractors.

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#### **Background**

*Xstrata is a global diversified mining group, listed on the London and Swiss Stock Exchanges, with its headquarters in Zug, Switzerland. Xstrata's businesses maintain a meaningful position in seven major international commodity markets: copper, coking coal, thermal coal, ferrochrome, nickel, vanadium and zinc, with recycling facilities,*

*additional exposures to gold, cobalt, lead and silver and a suite of global technology products, many of which are industry leaders. Xstrata Group's operations and projects span 18 countries: Argentina, Australia, Brazil, Canada, Chile, Colombia, the Dominican Republic, Germany, New Caledonia, Norway, Papua New Guinea, Peru, the Philippines, South Africa, Spain, Tanzania, the USA and the UK. Xstrata employs approximately 43,000 people, including contractors.*

*Xstrata Nickel, headquartered in Toronto, Canada, is one of Xstrata Group's global commodity businesses, comprising five mines and processing facilities in Ontario and Quebec, Canada; a ferronickel mine and processing facility in Bonao, Dominican Republic; and a refinery in Kristiansand, Norway. Xstrata Nickel has a significant portfolio of growth projects, including Nickel Rim South in Canada, Kabanga in Tanzania, and Koniambo in New Caledonia. Xstrata Nickel is the world's fourth largest nickel producer, with annual managed production of more than 110,000 tonnes of refined nickel.*

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