



CCR REFINERY UNION MEMBERS IN MONTREAL-EAST RATIFY TENTATIVE AGREEMENT AND END STRIKE ACTION

Montreal-East, July 23, 2007 — Xstrata Copper Canada is pleased to announce that yesterday members of the Steelworkers Union yesterday ratified the tentative agreement reached with the union bargaining committee and renewed the collective agreement for CCR refinery employees. The tentative agreement was reached through a series of meetings with the help of a conciliator appointed by the Ministry of Labour

“We are satisfied with the turn of events. We believe we have a balanced agreement that takes into account both the interests of the employees and the company’s interests. We have initiated our staged return-to-work procedure for a safe and efficient resumption of activities,” said Bruce Dumville, General Manager of the CCR refinery.

On Sunday, July 22, 73% of the union members voted to accept the tentative agreement at a special meeting called by the union executive. The agreement covers a three-year period.

The highlights of the agreement are:

- An annual wage increase of \$0.55 per hour, equivalent to approximately 6% for the duration of the agreement.
- An immediate \$2 per year of service increase in monthly pension-plan benefits and another \$2 increase in 2009.

“We will gradually return to full production capacity over the coming weeks,” said Mr. Dumville.

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Notes

Xstrata plc

Xstrata is a major global diversified mining group, listed on the London and Swiss stock exchanges. Headquartered in Zug, Switzerland, Xstrata maintains a meaningful position in seven major international commodity markets: copper, coking coal, thermal coal, ferrochrome, nickel, vanadium and zinc. The company also has recycling facilities, additional exposures to gold, lead, silver and cobalt and a suite of global technologies, many of which are industry leaders. The 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, Philippines, South Africa, Spain, Tanzania, the USA and the UK.

Xstrata Copper

Xstrata Copper, one of the commodity business units within the major global diversified mining group Xstrata plc, is headquartered in Brisbane, Australia, with regional offices in Santiago, Chile; Lima and Arequipa, Peru; Buenos Aires, Argentina; and Toronto, Canada, and is one of the commodity business units within the major global diversified mining group Xstrata plc.

Xstrata Copper's mining operations span five countries and comprise mines, mineral processing plants and port facilities in North Queensland, Australia; mining and processing operations and port facilities in Chile, Peru and Argentina in South America; and mining and processing plants in Canada. It also has a recycling business (Noranda Recycling) with plants in Canada, the United States and Asia.

Xstrata Copper is the fourth largest global copper producer, with annual managed production of over one million tones.