



## MEDIA RELEASE

# **XSTRATA COAL ANNOUNCES A\$2.85 UNCONDITIONAL CASH OFFER FOR RESOURCE PACIFIC HOLDINGS LIMITED**

## Highlights

- **Premium of 85% to the 30 day volume weighted average price<sup>1</sup> of Resource Pacific shares up to and including 25 September 2007, the day prior to the announcement of New Hope's takeover offer**
- **Co-operation agreement with Marubeni Corporation, Resource Pacific's largest shareholder**
- **Xstrata Coal currently has a relevant interest of 15.56% in Resource Pacific shares**
- **Allows Resource Pacific shareholders to realise an attractive cash value for their shares at a significant premium to New Hope's all-share offer**
- **Offer is unconditional**
- **Prompt payment terms offered**
- **Xstrata Coal will stand in the market to acquire shares at the Offer Price**
- **Consolidates Xstrata Coal's position in the Hunter Valley**

Sydney, 5 December 2007

Xstrata Coal Pty Limited ("Xstrata Coal") today announced its intention to make an all cash offer to acquire all of the issued and outstanding shares in Resource Pacific Holdings Limited ("Resource Pacific") for A\$2.85 per share ("Offer Price"), valuing Resource Pacific's issued share capital at approximately A\$960 million ("Offer"). The Offer is unconditional.

Xstrata Coal Chief Executive, Peter Coates, said: "This is a highly attractive offer for Resource Pacific shareholders, providing the immediate opportunity to realise a cash premium for their investment in a single mine operation."

Xstrata Coal's cash Offer is priced at a 85% premium to the 30 day volume weighted average price<sup>1</sup> of Resource Pacific shares up to and including 25 September 2007, the day prior to the announcement of New Hope's takeover offer. Xstrata Coal's Offer Price also represents a 78% premium to the A\$1.60 per share subscription price of Resource Pacific's recent rights issue – which was priced by the company just over one month ago and represents more than 30% of the company's current issued share capital.

Xstrata Coal also announced today that it has entered into a co-operation agreement with Marubeni Corporation, Resource Pacific's largest shareholder. As a result, Xstrata Coal now has a relevant interest in Marubeni Corporation's 10.28% shareholding in Resource Pacific. Together with its existing interest of 5.28% acquired by equity swap arrangements and on-market purchases, Xstrata Coal has a total relevant interest of 15.56% in Resource Pacific shares.

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<sup>1</sup> Resource Pacific's share price has been adjusted to reflect the discount element of the 4:9 rights issue announced on 31 October 2007



We believe our cash Offer recognises the full value of Resource Pacific's Newpac mine and offers an attractive and risk-free premium to shareholders. Xstrata Coal has a proven history of successful longwall mining in the New South Wales Hunter Valley, with the skills, capabilities and financial stability required to achieve Resource Pacific's potential," Mr Coates said.

Newpac is an underground semi-soft coking coal and thermal coal mine located in the Hunter Valley coalfields of NSW, in close proximity to a number of Xstrata Coal operations. Xstrata Coal also owns the mining lease over Newpac.

The Offer will be made by Titan Holdings Finance Pty Limited ("Titan Holdings"), a subsidiary of Xstrata Coal, by way of an off-market takeover bid under the Australian Corporations Act 2001. Xstrata Coal has already received approval from the Australian Foreign Investment Review Board in relation to this Offer. No other regulatory approvals are required.

In accordance with the Corporations Act 2001 (Cwlth), Xstrata Coal expects to dispatch a bidder's statement to all Resource Pacific shareholders containing detailed information relevant to the Offer as soon as practicable.

Xstrata Coal is offering to pay Resource Pacific shareholders who accept the Offer within 5 business days after the date of acceptance.

Rothschild is acting as financial adviser and Mallesons Stephen Jaques is acting as legal adviser to Xstrata Coal in relation to this Offer.

**A shareholder information line has been established by Xstrata Coal. Shareholders should telephone 1800 214 245 within Australia and +61 2 8986 9353 outside Australia.**

*ENDS*



### **About Xstrata Coal**

Xstrata Coal is the world's largest exporter of thermal coal and one of the largest producers of hard coking coal. Headquartered in Sydney, Xstrata Coal has interests in more than 30 operating coal mines throughout Australia, South Africa and the Americas.

### **About Resource Pacific**

Resource Pacific Holdings Limited is listed on the Australian Stock Exchange and is involved in the mining, processing and marketing of export grade coal. The company is currently mining one of the largest identified semi-soft coking coal resources in the Hunter Valley, New South Wales, with over 252 million tonnes of un-mined coal resource.\*

\*Source: Resource Pacific Holdings Limited website

### **For further media information:**

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