



21 January 2008

## **NEWS RELEASE**

### **EXTENSION OF OFFER PERIOD**

Xstrata Nickel Australia Pty Limited ("XNA"), a wholly owned subsidiary of Xstrata plc (LSE: XTA, ZSE: XTA.S) announces an extension to its takeover offer for Jubilee Mines NL (ASX: JBM.AU) ("Jubilee") to 7:00pm (Sydney time) 15 February 2008 (unless further extended).

As at the time of this announcement, XNA had received acceptances (including instructions held under the Institutional Acceptance Facility) so that it has an interest in 47.57% of total issued shares.

XNA intends to review its conditions to the offer by 31 January 2008. Any decision resulting from such review will be dependent on the level of acceptances (including instructions held under the Institutional Acceptance Facility) received at that date. Consequently XNA encourages Jubilee shareholders to accept its offer as soon as possible.

The offer represents an excellent opportunity for Jubilee shareholders:

- A 35% premium to the closing Jubilee share price of \$17.10 on 26 October 2007, the last trading day prior to the announcement of the offer and a 25% premium to the all-time pre-offer high Jubilee share price of \$18.44 achieved on 5 June 2007
- Prior to XNA announcing its offer, Jubilee conducted a competitive sale process to obtain the best offer for Jubilee shareholders. Since the announcement of the takeover on 29 October 2007, there have been no indications that another bid may emerge.
- In addition, the Jubilee share price has been trading below the offer price since 7 December 2007, with the closing price of Jubilee shares on 18 January 2008, the last trading day prior to date of this letter, being \$22.79 compared to the offer price of \$23.00 per share. If the offer lapses, XNA believes there is a real risk the Jubilee share price will fall.
- The Directors of Jubilee unanimously recommend acceptance of the offer. Kerry Harmanis and senior management have agreed to sell all their Jubilee shares to XNA and to no other party.

Kerry Harmanis, Executive Chairman of Jubilee said: "We continue to support the Xstrata Nickel offer and recommend shareholders accept."

To accept the offer, Jubilee shareholders should follow the instructions on the Acceptance Form which was enclosed with the Bidder's Statement. If a new Acceptance Form is required or Jubilee shareholders have any questions, please call the Offer information line on 1800 635 306 (toll free for callers within Australia) or +61 2 8004 4312 (callers outside Australia)

Ends

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**About Xstrata Nickel**

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 Bonaio, Dominican Republic; and a refinery in Kristiansand, Norway. Xstrata Nickel has a significant portfolio of growth projects, including Koniambo in New Caledonia, Nickel Rim South in Canada, Kabanga in Tanzania and Araguaia in Brazil. Xstrata Nickel is the world's fourth largest nickel producer, with annual managed production of more than 110,000 tonnes of refined nickel.

**About Xstrata plc**

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 additional exposures to platinum group metals, gold, cobalt, lead and silver, recycling facilities and a suite of global technology products, 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, the Philippines, South Africa, Spain, Tanzania, the USA and the UK. Xstrata employs approximately 50,000 people, including contractors.

Xstrata is a major, long-term investor in Australia and currently employs over 11,000 Australians at its coal, copper and zinc operations in New South Wales, Queensland, the Northern Territory and Western Australia. Since 2002 Xstrata has invested over A\$10.4 billion (US\$7.3 billion) in Australia.

Further information on Xstrata and Jubilee was provided to Jubilee shareholders in the Bidder's Statement and Target's Statement dated November 9, 2007 and November 15, 2007, respectively.

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