



NEWS RELEASE

XSTRATA NICKEL DECLARES JUBILEE OFFER UNCONDITIONAL AND CONFIRMS FINAL OFFER PRICE OF A\$23 PER SHARE

Toronto and Perth, 31 January 2008

Xstrata Nickel Australia Pty Limited ("XNA"), a wholly owned subsidiary of Xstrata plc, (LSE: XTA, ZSE: XTA.S) declares its takeover offer ("Offer") for Jubilee Mines NL (ASX: JBM.AU) ("Jubilee") free from all conditions, including the 90% minimum acceptance condition.

XNA has instructed Macquarie Capital Securities Limited to commence processing acceptances under the Institutional Acceptance Facility ("IAF"). At the time this instruction was given, XNA had a relevant interest in Jubilee (including acceptance instructions under the IAF) of 61.66%.

Shareholders who have already validly accepted the Offer will be sent their Offer consideration on or before Thursday 7 February 2008. Shareholders who validly accept the Offer now that it is unconditional will be sent their Offer consideration on or before 5 business days after the date of acceptance. Acceptances must be received before the Offer closes at 7pm (Sydney time) on Friday 15 February 2008 (unless further extended).

Ian Pearce, Xstrata Nickel Chief Executive, said: "We encourage those shareholders who have not yet accepted our offer to do so now to ensure that they receive payment with a minimum of delay. Our offer of A\$23 per share is final and will not be increased.

"We are delighted to welcome Jubilee Mines employees into Xstrata Nickel and to announce the establishment of Xstrata Nickel Australasia as a new operating division with an excellent operational track record and exciting near-term growth potential."

If XNA acquires 90% or more of Jubilee shares and is entitled to do so, it will proceed to compulsory acquisition of any outstanding shares under Part 6A.1 of the Corporations Act.

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

Xstrata contacts:

Xstrata

Claire Divver
Telephone: +44 (0)20 7968 2871
Mobile: +44 (0)7785 964 340
Email: cdivver@xstrata.com

Xstrata Nickel

Peter Fuchs
Telephone: +1 416 775 1523
Mobile: +1 416 305 9273
Email : pfuchs@xstratanickel.ca

Gabrielle Notley
Telephone: +61 (0)2 9232 1033
Mobile: +61 (0)411 071 715
Email: gmn@jcp.com.au

www.xstrata.com

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 Bonao, 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.

Legal Notice

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.