



**MOUNT ISA
MINES**

MEDIA RELEASE

**XSTRATA MOUNT ISA MINES WELCOMES ENVIRONMENTAL
LEGISLATIVE CHANGES**

Mount Isa, 16 May 2008

Xstrata Mount Isa Mines announced today that it welcomed the changes to the Environmental Protection Act passed by the Queensland Parliament.

Xstrata Mount Isa Mines is one of nine mines in Queensland to be regulated by the new legislation.

Environment Manager Xstrata North Queensland, Ed Turley, said that the three year transition period contained in the legislation was well aligned with Xstrata Mount Isa Mines' existing environmental initiatives.

"We have been working with the Queensland Government on proposed legislative changes affecting our mining and processing operations in Mount Isa for over a year, and we are continuing to make significant improvements in our environmental performance.

"These changes include improving the mine's water usage, continued development of a 'greenbelt' environmental buffer between the mining lease and the community, reducing emissions and increasing knowledge of the region's biodiversity.

"Last year we commenced a Smelter Emissions Project to assess further opportunities to improve the capture and treatment rate of sulphur dioxide emissions from our copper and lead smelters.

"The team is developing potential designs through a consultative process with stakeholders and, where feasible, will implement these controls during the next five years.

"Following the construction and commissioning of an acid plant to capture sulphur dioxide emissions from the Mount Isa copper smelter in 2001, Xstrata Mount Isa Mines has targeted a further increase from approximately 80% to 95% capture and treatment rate of sulphur dioxide emissions from the copper smelter, and 98% from the lead smelter.

"The potential cost of the Smelter Emissions Project is currently estimated at between \$100 and \$200 million including design, construction and commissioning.

“Xstrata Mount Isa Mines will continue to work with the Department of Mines and Energy and the Environmental Protection Agency to practically implement the changes in our environmental regulation.

“Our strategic objective is to be recognised as leaders in environmental performance and we are committed to the highest standards of environmental management and continuous improvement,” he said.

Ends

Xstrata Contacts

Melanie Edgar

Manager Community Relations NQ
Telephone +61 7 4744 2832
Mobile +61 7 423 820 701
Email medgar@xstratacopper.com.au

Sue Sara

General Manager Corporate Affairs Queensland
Telephone +61 7 3295 7535
Mobile +61 7 411 206 090
Email suesara@xstrata.com.au

Jemma Schweikert

Community Relations Advisor
Telephone +61 7 4744 6552
Mobile +61 7 412 126 510
Email jschweikert@xstratazinc.com.au

www.xstrata.com

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.

About Xstrata Copper

Headquartered in Brisbane, Xstrata Copper is one of the commodity business units within the major global diversified mining group Xstrata plc. Its operations and projects span eight countries: Australia, Argentina, Chile, Peru, Canada, the USA, the Philippines and Papua New Guinea. Its operations are administered by five separate divisions, based close to the mining operations, namely the North Queensland, Alumbra, North Chile, Southern Peru and Canada divisions. It also has a recycling business (Xstrata Recycling) with plants in the United States and offices in Canada and Asia.

Xstrata Copper is the fourth largest global copper producer with annual attributable production capacity of over one million tonnes.

About Xstrata Zinc

Headquartered in Madrid, Spain, Xstrata Zinc is one of the world’s largest producers of zinc and one of the commodity business units within the major global diversified mining group Xstrata plc. Xstrata’s zinc and lead operations and exploration projects are located in Australia, Canada, Germany, Peru, Spain and the United Kingdom.

Xstrata Zinc's operations in Spain comprise the San Juan de Nieva zinc smelter and the Arnao zinc semis plant in Asturias, and the Hinojedo roasting plant in Cantabria.

In Australia, operations comprise the Mount Isa, George Fisher underground and Black Star open cut zinc lead mines, zinc lead concentrator, lead smelter and Bowen Coke Works in north Queensland; 75% of the Lady Loretta zinc lead deposit in north-west Queensland; the McArthur River open pit zinc lead mine, processing and port operations in the Northern Territory; and 50% of the Lennard Shelf underground zinc lead mine and processing operations in Western Australia.

In Canada, operations and exploration projects include the Brunswick zinc-lead mine and lead smelter in New Brunswick; 25% of the CEZ zinc smelter near Montreal; and the Perseverance zinc deposit in Quebec.

Xstrata Zinc also operates the Nordenham zinc smelter in northern Germany; the Northfleet lead refinery in the United Kingdom; and owns 33.75% of the Antamina mine in Peru.