



## NEWS RELEASE

### **XSTRATA COPPER REAFFIRMS ITS INTENTION TO VOTE 'AGAINST' THE INDOPHIL RESOLUTION**

Brisbane, 6 November 2008

Xstrata Queensland Limited (ABN 69 009 814 019) ("Xstrata"), today rejected claims made by Indophil that it is seeking to prevent any other party from acquiring Indophil's interest in the Tampakan Project.

Xstrata also reaffirmed its intention to vote against the Resolution to provide the Indophil Board with an open-ended mandate to sell the Company's only major asset at its upcoming General Meeting on Wednesday 12 November, 2008.

Xstrata is the largest shareholder in Indophil Resources NL with a 19.9% shareholding. Indophil's only major asset is its 34.23% interest, with a right to acquire an additional 3.27%, in the Tampakan copper project in the southern Philippines.

Xstrata Copper Chief Executive, Charlie Sartain, said:

"We have consistently maintained that Xstrata would welcome the increased participation of Alsons in the project, if it were to result from a proper and transparent sales process.

"However we believe that voting against the Resolution on 12 November is the only way to ensure that the Indophil Board provides an appropriate level of disclosure to all Indophil shareholders before it proceeds to sell Indophil's only major asset.

"If approved, the Resolution would allow Indophil to sell Tampakan to an undetermined buyer, at an undisclosed price and on undisclosed terms. This is unacceptable and highly unusual.

"Our feedback from other Indophil shareholders tells us that they want more information about the proposal from the Indophil Board and they want a say in the sales process. We encourage all Indophil shareholders to vote against the Resolution on 12 November."

Any acceptable sale Resolution needs to define:

- The price for which the Tampakan Project will be sold;
- The timeframe for a sale;

- The identity of the party to which the Tampakan Project will be sold;
- The funding arrangements proposed by the buyer, in light of the current financial market crisis;
- The tax liability that will result from the sale that will ultimately be borne by shareholders; and
- How and when shareholders will receive the cash distribution from the sale.

## **ENDS**

**For further information, please contact:**

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### **About the Tampakan copper project**

The Tampakan copper project is located on the southern Philippine island of Mindanao, approximately 65 kilometres north of General Santos City. The current project is situated on the boundary of three Provinces – South Cotabato, Sultan Kudarat and Davao Del Sur. The Tampakan copper gold deposit is located in the province of South Cotabato, municipality of Tampakan.

The Tampakan mineral resource is the largest undeveloped copper-gold deposit in South East Asia. The latest mineral resource estimate confirmed 2.2 billion tonnes containing 12.8 million tonnes of copper and 15.2 million ounces of gold at a 0.3% copper cut-off grade.

On 30 March 2007, Xstrata Copper acquired 62.5% of the controlling interest in the Tampakan copper project and assumed management control through its Philippines based affiliate Sagittarius Mines, Inc.

[www.smi.com.ph](http://www.smi.com.ph)

### **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, Minera Alumbrera, 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's world-leading portfolio of growth projects includes Las Bambas in Peru, Tampakan in the Philippines, El Morro in Chile, El Pachón in Argentina and Frieda River in Papua New Guinea.

Xstrata Copper is the fourth largest global copper producer with annual attributable production capacity of over one million tonnes. It employs over 15,000 people, including contractors.

**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 56,000 people, including contractors.

Xstrata is a major, long-term investor in Australia and currently employs over 11,000 people at its coal, copper, zinc and nickel operations in New South Wales, Queensland, the Northern Territory and Western Australia. Since 2002 Xstrata has invested over A\$16 billion (US\$11.2 billion) in Australia.

**About Indophil**

Indophil Resources NL is an ASX listed company, incorporated in 1996, to acquire, explore for and develop gold and copper-gold opportunities in the Asia-Pacific region and it is now looking to broader horizons. Indophil's team is highly-experienced and successful in minerals development, with specialisation in the Philippines.

Indophil's focus has been the development of the world class Tampakan copper project in the southern Philippines. Indophil owns 34.23% of the Tampakan project, and has arrangements in place to lift that stake to 37.5%. The remaining 62.5% is held by Xstrata.