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Société Makivik
Makivik Corporation

NEWS RELEASE

INUIT COMMUNITIES RECEIVE \$6.8 MILLION IN PROFIT-SHARING FROM XSTRATA NICKEL'S RAGLAN MINE

Montreal, Québec, June 4, 2009 – Xstrata Nickel is pleased to announce that it has presented a cheque in the amount of Cdn\$6.8 million to the Makivik Corporation, representing its share of the profits generated in 2008 by the Raglan nickel mine operation, located in the Nunavik Territory of Northern Québec.

Pita Ataami, President of the Makivik Corporation, said "Once again, this year's profit sharing will benefit Nunavimmiut with much needed assistance. These payments are appreciated considering that Nunavik has one of the highest costs of living in Canada."

Yearly profit-sharing is part of the Raglan Agreement, a comprehensive agreement signed in 1995 by the Raglan operation and Makivik and local Inuit communities. The agreement supports the harmonized relations and fostering of opportunities between Xstrata Nickel and local populations and their representatives in areas such as training, hiring of local businesses and environmental management. To date, Raglan has delivered more than Cdn\$65.4 million back to the community.

Ian Pearce, Chief Executive Officer of Xstrata Nickel, said "Despite difficult economic conditions, Raglan continues to deliver sustainable ore production at a rate of 1.3 million tonnes annually.

Raglan has a world-class deposit that will remain a key asset for our business for many years to come, and we remain committed to sharing our successes with our local communities through the Raglan Agreement."

Xstrata Nickel's Raglan mining camp was constructed at a cost of Cdn\$600 million and began production in 1997. In 2008, capital investments included Cdn\$95 million for mining development activities, infrastructure maintenance and geology.

The operation consists of three underground and one open pit nickel mines, concentrator, accommodation complex, port facilities at Deception Bay and an air strip at Donaldson. The ore from the mine is crushed, ground and treated at the Raglan mill to produce a nickel-copper concentrate. Milling capacity is 3,900 tonnes per day. Nickel capacity at the concentrator now stands at 30,000 tonnes of nickel-in-concentrate per year.

Ends

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 a growing platinum group metals business, additional exposures to 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 19 countries.

Xstrata Nickel

Xstrata Nickel, headquartered in Toronto, Canada, is one of Xstrata Group's global commodity businesses. Xstrata Nickel's operations include mines and processing facilities in Canada, the Dominican Republic and Australia, and a refinery in Norway. Xstrata Nickel has a promising portfolio of growth projects in Canada, New Caledonia, Tanzania and Brazil. Xstrata Nickel is the world's fifth largest nickel producer, with annual managed production of more than 107,000 tonnes of refined nickel.

Makivik Corporation

Makivik Corporation is the Inuit owned economic development company created following the signing of the James Bay and Northern Quebec Agreement (JBNQA) in 1975. It has the mandate to represent the 9,800 Inuit of Nunavik at the political level, and to administer the funds of the Agreement accorded to the Inuit (\$90-million has been received over a 20 year period). Makivik owns subsidiary companies such as Air Inuit, First Air, Nunavik Arctic Foods, Nunavik Creations, Halutik Fuels, and jointly owns with other Inuit regional corporations Pan Arctic Inuit Logistics (PAIL) and Cruise North Expeditions.

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