



SAGITTARIUS MINES, INC.

NEWS RELEASE

SMI LAUNCHES FEASIBILITY STUDY OF TAMPAKAN PROJECT

General Santos City, 26 June 2009

SMI (Sagittarius Mines, Inc.) announces commitment to a feasibility study to further evaluate development of the world-class Tampakan copper-gold project in Southern Mindanao, the Philippines.

Following a thorough review of the results of all work programs associated with the extended Pre-Feasibility Study, SMI's funding shareholders have approved the US\$74 million feasibility study phase which will entail a detailed engineering study to determine whether the project will advance to development stage.

SMI has engaged the services of Bechtel, a global leader in engineering and construction, as the lead engineer for the Tampakan feasibility study under a global alliance with Xstrata Copper that covers the potential execution of multiple copper concentrator projects.

Based on the current schedule, the feasibility study is expected to be submitted to the government by the second quarter of 2010.

"This phase we are embarking on is very significant for SMI and for the future of the Tampakan project. The decision to develop a major copper mine at Tampakan will depend on the outcomes of the feasibility study, which will examine the economic, social and environmental viability of this project," said SMI President, Peter Forrestal

"Through all its development stages, the Tampakan project will continue to be run in line with leading environmental and social practices, based on partnership with its stakeholders, to create mutual benefits for shareholders, the communities associated with the project and the Philippines," Mr Forrestal said.

Partners in the Tampakan project include Xstrata Copper (62.5%), Indophil Resources NL (34.23%) and Alsons Corporation (3.27%).

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Notes to editors:

About the Tampakan Copper-Gold Project

The Tampakan Copper-Gold Project is located on the southern Philippine island of Mindanao, approximately 65 kilometers North of General Santos City.

It is situated on the boundaries 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.

On 30 March 2007, Xstrata Copper acquired 62.5% of the controlling interest in the Tampakan Copper-Gold Project and assumed management control through its Philippines based affiliate Sagittarius Mines, Inc. www.smi.com.ph

About Xstrata Copper

Headquartered in Brisbane, Australia, 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 Alumbraera, 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.