



**NEWS RELEASE**

**XSTRATA NICKEL'S RAGLAN MINE WELCOMES THE QUÉBEC  
GOVERNMENT'S MINERAL STRATEGY**

**Rouyn-Noranda, Québec, July 7, 2009**

Xstrata Nickel's Raglan Mine welcomes the initiative taken by the Minister for Natural Resources and Wildlife, Serge Simard, in unveiling Québec's first mineral strategy last week.

This strategy introduces the main policy directions that will profoundly modify the mining regime in Québec and bring it into line with international standards for sustainable development.

"Québec already ranks among the best jurisdictions in the world for the mining sector. This strategy has the potential to strengthen Québec's already enviable position and could help ensure the sustainability of mining for future generations," noted Michel Boucher, General Manager of Xstrata Nickel's Raglan mine located in Nunavik. "We are confident that the Government of Québec will be able to implement measures quickly to achieve these objectives once it has consulted communities, the public, mining companies and other stakeholders engaged in the development of Québec's mining sector."

Xstrata Nickel's Raglan mine has already put in place solid sustainable development practices and progressive rehabilitation is being implemented for its operations. The company has also given priority to a profit-sharing agreement with the neighbouring communities and to the hiring of Nunavik employees and Inuit businesses.

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**Xstrata Nickel's Raglan Mine**

The Raglan mining camp is producing 1.3 million tonnes of ore annually. Through the course of the current year, the concentrator will reach the 600 million pound mark of nickel produced since the operation began in 1997. In 2009, Raglan Mine is spending Cdn\$95 million to upgrade its civil infrastructures and power plant. Since 2007, more than Cdn\$300 million has been invested in infrastructure modernization. Xstrata Nickel Raglan Mine has an enviable reputation throughout the mining industry as a sustainable development leader and participates in several research programs and activities in Québec's Nunavik territory.

The Raglan facilities include three underground nickel mines and one open-pit nickel mine, along with a concentrator, an accommodation complex, port facilities at Deception Bay and an aircraft landing strip at Donaldson. Extracted ore is crushed and treated to produce a nickel-copper concentrate. The treatment facility has a capacity of 3,900 tonnes per day. The operation produces 30,000 tonnes of nickel annually.

**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.

**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.