



News release

Sydney, April 11, 2006

The shortage of skilled workers in Australia is inhibiting expansion plans, development of new projects and hurting Australia's economic growth, according to the Chief Executive of Xstrata Coal, Peter Coates.

He said the skills shortage was creating an almost cannibalistic scenario where companies compete with each other for an ever diminishing skilled worker base.

" Instead of complaining and bleating about a skills shortage, or just looking to government for resolution of a major problem, our industry has to act. We have to be proactive in expanding the skilled workforce and to providing young Australians with careers, careers with a solid future," Mr Coates said.

" It's not just the men at the coal face. The resources industry also faces shortages in support staff, accountants, IT personnel, electricians, mechanics and other trades and professions."

" Education is the key. Education and training. Through scholarships, apprenticeships, training programs and graduate schemes, we're working with government and tertiary institutions to give young Australian a skills-based career path" , he said.

Mr Coates said Xstrata was making a major contribution to education and job creation and boosting the Australian skills base.

He said Xstrata Coal currently has 87 apprentices engaged at its operations in NSW and Queensland. The company also has 27 graduates employed under its graduate programme and 19 sponsorships at the University of NSW and Queensland University. Xstrata Copper is tripling the number of first year apprentices across seven trades and providing bursaries for secondary students and university scholarships.

Together, Xstrata Coal and Xstrata Copper is spending around \$20 million per year to address the national skills shortage.

Mr Coates was speaking last night at the announcement of the 2006 Xstrata Coal Corporate Social Involvement Programme, which will see institutions and community based initiatives receive grants totalling \$2 million.

Included were the Hunter Valley Training Company and the Central Queensland Institute of TAFE which will use the grants to employ and train apprentices and the University of Queensland and the University of NSW for scholarships for disadvantaged students.

Mr Coates said the resource sector had been the beneficiary of the resources boom and now " it's time to put something back" .



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Other beneficiaries of the Xstrata Coal CSI Programme were:

- Singleton Council - youth centre
- Mid-Western Regional Council – mobile library
- Lake Macquarie City Council – all access children’s playground
- Tennis Queensland – development of junior tennis talent in regional Queensland
- Mining Industry Road Safety Alliance – road safety education and fatigue management, Queensland
- Queensland Art Galley – the Xstrata Coal Emerging Indigenous Artist award and the Xstrata Coal indigenous art collection
- NSW Premier’s Teacher Scholarships – rural and remote area education
- Conservation Volunteers Australia - community-based environmental and conservation projects
- Capricorn Helicopter Rescue Service – dedicated rescue service
- Central Queensland Helicopter Rescue Service - dedicated rescue service
- John Hunter Hospital – neonatal division
- Central Highlands Health Service – assist with the recruitment of a general practitioner for the township of Springsure
- Sydney Symphony Orchestra – sponsorship of NSW regional concerts in aid of drought relief
- Humpty Dumpty Foundation – Royal North Shore Hospital children’s ward.

Further information:

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