



NEWS RELEASE

XSTRATA COPPER ANNOUNCES SUBSTANTIAL MINERAL RESOURCE UPGRADES IN LAS BAMBAS AND TINTAYA DISTRICTS IN SOUTHERN PERU

Santiago, 6 March 2007

Xstrata Copper announces an important resource expansion in its Las Bambas copper district and confirms a substantial Mineral Resource at the Antapaccay copper deposit, both in southern Peru. Antapaccay is located 9 kilometres from Xstrata Copper's Tintaya copper mine.

Xstrata Copper Chief Executive Charlie Sartain said:

"The successful results of the 2006 exploration program at Las Bambas, together with the publication of a substantial Mineral Resource so close to existing infrastructure at Tintaya, has confirmed southern Peru as a significant strategic region for Xstrata. The identification of a billion tonnes of combined Mineral Resources in the region at attractive grades, with substantial further exploration potential and a strong existing operating and infrastructure base, places us in an ideal position to pursue rapid, profitable growth in southern Peru."

Las Bambas

The 2006 exploration program at Las Bambas, which included 100,000 metres of drilling, established an Indicated and Inferred Resource of 508 million tonnes at a grade of 1.14% copper using a 0.5% cut-off grade. This represents an increase of 69% over the Mineral Resource of 300 million tonnes at 1.1% copper published in March 2006. In addition, the new resource includes estimated average grades for molybdenum of 220 parts per million (ppm) and for gold of 0.11 grams per tonne (g/t).

Included in this Mineral Resource, which covers three mineralised systems (Chalcobamba, Ferrobamba and Sulfobamba), are 377 million tonnes grading 1.27% copper, 214 ppm molybdenum and 0.13 g/t gold at the Ferrobamba deposit. Of this, 239 million tonnes at 1.36% copper, 220 ppm molybdenum and 0.14 g/t gold is contained in skarn mineralisation.

"The presence of substantial volumes of high grade skarn-style copper mineralisation, with significant grades of molybdenum and gold, supplemented with large, lower grade copper porphyry mineralisation, confirms the significant potential of the Las Bambas district," Mr Sartain said.

Since acquiring the project in August 2004, Xstrata Copper has drilled a total of 156,000 metres at Las Bambas. Based on initial successes, the Company plans to conduct a further 85,000 metres of drilling in 2007, mainly on the initial three mineralised systems.

Antapaccay

Xstrata Copper acquired the Antapaccay copper-gold prospect through its acquisition of the Tintaya copper mine from BHP Billiton in June 2006. Historically more than 90,000 metres have been drilled at Antapaccay, which consists of two adjacent mineral structures: Antapaccay North and Antapaccay South. Following detailed evaluation of work undertaken to date, Xstrata Copper has been able to establish a total Mineral Resource of 472 million tonnes at a grade of 0.74% copper.

"The Antapaccay deposit holds the potential to increase production and extend the life of our Tintaya assets, which are located only 9 kilometres away," said Mr Sartain. The Tintaya operations comprise an open pit, a processing plant producing copper concentrate, a heap leaching operation and solvent extraction / electrowinning (SXEW) plant producing copper cathodes and substantial transport and administrative infrastructure. The operation achieved record mining and mill processing rates during the second half of 2006.

During 2007, Xstrata Copper will conduct 40,000 metres of drilling to confirm and upgrade the Antapaccay Resource as part of a pre-feasibility study into the development of the project.

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Notes for editors

Xstrata is a major global diversified mining group, listed on the London and Swiss stock exchanges. Headquartered in Zug, Switzerland, Xstrata maintains a meaningful position in seven major international commodity markets: copper, coking coal, thermal coal, ferrochrome, nickel, vanadium and zinc, with a smaller but profitable aluminium business, recycling facilities, additional exposures to gold, lead and silver and a suite of global technologies, 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, Jamaica, New Caledonia, Norway, Papua New Guinea, Peru, South Africa, Spain, Tanzania, the USA and the UK.

Xstrata Copper is headquartered in Brisbane, Australia, with regional offices in Santiago and Antofagasta, Chile; Lima and Arequipa, Peru; Buenos Aires, Argentina; and Toronto, Canada, and is one of the commodity business units within the major global diversified mining group Xstrata plc.

Xstrata Copper's mining operations span five countries and comprise mines, mineral processing plants and port facilities in North Queensland, Australia; mining and processing operations and port facilities in Chile, Peru and Argentina in South America; and mining and processing plants in Canada. It also has a recycling business (Noranda Recycling) with plants in Canada, the United States and Asia.

Xstrata Copper is the fourth largest global copper producer, with annual managed production of over one million tonnes.

Appendix

Mineral Resource Summary Tables

Las Bambas Indicated & Inferred Mineral Resources* as of 28 February 2007

0.4% cut off		Indicated				Inferred				Indicated + Inferred			
		Million Tonnes	Cu %	Mo ppm	Au g/tn	Million Tonnes	Cu %	Mo ppm	Au g/tn	Million Tonnes	Cu %	Mo ppm	Au g/tn
Sulfobamba	Skarn	38	1.11	131	0.03	8	0.69	109	0.03	46	1.04	127	0.03
	Other	18	0.55	225	0.02	8	0.48	220	0.02	26	0.53	223	0.02
	Total	56	0.93	161	0.03	16	0.58	167	0.02	72	0.86	162	0.03
Chalcobamba	Skarn	93	1.08	131	0.05	28	0.65	76	0.03	121	0.98	118	0.05
	Other	32	0.65	175	0.02	5	0.53	64	0.02	37	0.64	161	0.02
	Total	125	0.97	143	0.04	33	0.63	74	0.03	158	0.90	128	0.04
Ferrobamba	Skarn	209	1.43	273	0.18	54	0.69	200	0.15	263	1.28	258	0.17
	Other	156	0.65	220	0.04	72	0.53	195	0.03	228	0.61	212	0.03
	Total	365	1.10	250	0.12	126	0.60	197	0.08	491	0.97	236	0.11
Las Bambas Total	Skarn	339	1.30	218	0.13	90	0.68	153	0.10	429	1.17	205	0.12
	Other	207	0.64	213	0.03	85	0.52	190	0.03	291	0.61	206	0.03
	Total	546	1.05	216	0.09	175	0.60	171	0.07	721	0.94	205	0.08
0.5% cut off		Indicated				Inferred				Indicated + Inferred			
		Million Tonnes	Cu %	Mo ppm	Au g/tn	Million Tonnes	Cu %	Mo ppm	Au g/tn	Million Tonnes	Cu %	Mo ppm	Au g/tn
Sulfobamba	Skarn	34	1.18	136	0.04	5	0.80	101	0.03	40	1.13	131	0.03
	Other	8	0.69	251	0.03	2	0.55	218	0.02	10	0.66	243	0.03
	Total	42	1.09	157	0.03	8	0.72	138	0.03	50	1.04	154	0.03
Chalcobamba	Skarn	78	1.20	132	0.06	21	0.72	74	0.03	98	1.10	120	0.05
	Other	20	0.78	189	0.03	2	0.53	64	0.02	23	0.75	176	0.03
	Total	98	1.11	144	0.05	23	0.70	73	0.03	121	1.03	131	0.05
Ferrobamba	Skarn	194	1.50	281	0.19	45	0.74	204	0.16	239	1.36	267	0.18
	Other	97	0.78	248	0.04	1	1.42	214	0.04	98	0.78	248	0.04
	Total	292	1.26	270	0.14	45	0.76	204	0.15	337	1.19	261	0.14
Las Bambas Total	Skarn	307	1.39	227	0.14	70	0.74	159	0.11	377	1.27	214	0.13
	Other	125	0.77	239	0.04	6	0.68	154	0.02	131	0.77	235	0.04
	Total	432	1.21	230	0.11	76	0.74	158	0.10	508	1.14	220	0.11

*The competent person for the Las Bambas Mineral Resource is Raúl Roco (AusIMM)

Antapaccay Measured & Indicated & Inferred Mineral Resource* as of 02 March 2007

0.4% cut off		Measured + Indicated				Inferred				Measured + Indicated + Inferred			
		Million Tonnes	Cu %	Mo ppm	Au g/tn	Million Tonnes	Cu %	Mo ppm	Au g/tn	Million Tonnes	Cu %	Mo ppm	Au g/tn
Antapaccay Sur		119	0.66	50	0.11	23	0.65	70	0.07	142	0.66	53	0.10
Antapaccay Norte		237	0.79	67	0.17	93	0.73	60	0.15	330	0.78	65	0.32
Antapaccay	Total	356	0.75	61	0.15	116	0.71	62	0.13	472	0.74	61	0.15

0.5% cut off		Measured + Indicated				Inferred				Measured + Indicated + Inferred			
		Million Tonnes	Cu %	Mo ppm	Au g/tn	Million Tonnes	Cu %	Mo ppm	Au g/tn	Million Tonnes	Cu %	Mo ppm	Au g/tn
Antapaccay Sur		87	0.74	44	0.12	16	0.74	80	0.08	103	0.74	50	0.11
Antapaccay Norte		189	0.89	67	0.20	69	0.82	60	0.17	258	0.87	65	0.36
Antapaccay	Total	276	0.84	60	0.17	85	0.80	64	0.15	361	0.83	61	0.17

*The competent person for the Antapaccay Mineral Resource is Emmanuel Henry (AMEC International)