



**MOUNT ISA
MINES**

NEWS RELEASE

**XSTRATA TO DEMOLISH BARKLY HIGHWAY BUILDINGS
AS PART OF THE NEXT PHASE OF THE GREENBELT PROJECT**

Mount Isa, 15 July 2011

Xstrata Mount Isa Mines is pleased to announce the next phase of its Greenbelt Project will commence this week with the planned demolition of the buildings and shops located on the Barkly Highway near Xstrata Mount Isa Mines' Gardenia Gate.

Xstrata Mount Isa Mines, Mount Isa City Council and QR National established the *Greenbelt Agreement* in 2000 to expand a rehabilitated buffer zone of open space woodland between the Mount Isa operations and the Mount Isa Community.

Manager of Environment North Queensland, Pieter Swart said the greenbelt is an important buffer zone between our operations and the community.

"The Greenbelt is designed to improve the aesthetics of the town and further reduce the impact on the Mount Isa community from past and present operations.

"To date, more than \$3 million has been spent rehabilitating land along the greenbelt and in the community.

"This next phase of the Greenbelt Project has been in planning for some time, but it was critical that we allowed the tenants' contracts to expire prior to commencing any works," said Mr Swart.

"Now that the tenants have vacated these premises and the leases have been signed over to us we can commence demolition of the old buildings and prepare to replace them with a natural greenbelt of native trees.

"The planting of native trees will commence in October and will be similar to the other Greenbelt projects located along Barkly Highway and Railway Avenue.

"We will take all necessary safety and health precautions during the demolition phase with the removal of the building materials expected to take a few weeks.

"It is expected the demolition and removal of buildings will create minimal disturbance to the Mount Isa community," he said.



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Neither the content of the company's website nor the content of any other website accessible from hyperlinks on the company's website is incorporated into, or forms part of, this announcement

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Notes to editors

About Mount Isa Mines

Xstrata Mount Isa Mines is a world class mining operation and a significant asset within the Xstrata global portfolio. Xstrata Mount Isa Mines is operated jointly by the Xstrata Copper and Xstrata Zinc business units.

Xstrata Mount Isa Mines processes and mines copper and zinc ore from the Mount Isa, Ernest Henry, George Fisher, Black Star, Handlebar Hill, Enterprise, and X41 ore bodies. Mining is both underground and open-cut. Products marketed by the company for export are: Copper Cathode, Copper Concentrate, Zinc Concentrate, Crude Lead and Tankhouse Slimes (a co-product of copper refining with significant copper, gold and silver content).

With a workforce of almost 4,500 employees and contractors, Xstrata Mount Isa Mines is a significant contributor to the local economy, contributing nearly \$2 billion to the local economy in 2010.

The company's structure recognises a fully integrated marketing approach blending global marketing intelligence with local logistics, shipping, port and commercial expertise. Commercial and sales staff are located in Townsville and Brisbane.

The company's key export markets include Canada, China, England, Germany, India, Indonesia, Korea, Malaysia, Spain, Taiwan, Thailand, Vietnam and Japan.

About Xstrata plc

Xstrata is a 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 additional exposure to gold, cobalt, lead and silver. The Xstrata Group also comprises a growing platinum group metals business, iron ore projects, recycling facilities and a suite of global technology products, many of which are industry leaders. The Group's operations and projects span 20 countries.



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About Xstrata Copper

Xstrata Copper is the fourth largest global copper producer with attributable mined production in 2010 of 913,500 tonnes of copper in cathodes and concentrates. The company is also one of the world's largest producers of smelter and refined copper, including from third party materials.

Headquartered in Brisbane, Xstrata Copper is one of the commodity business units within the major global diversified mining group Xstrata plc. Its mining and metallurgical operations and development projects span eight countries: Argentina, Australia, Canada, Chile, Peru, the Philippines, Papua New Guinea and the USA. Its operations and projects are administered through a regional divisional management structure, which ensures that critical decisions are taken close to the related businesses. It also has a recycling business (Xstrata Recycling) with plants in the United States and offices in Canada and Asia.

About Xstrata Zinc

Headquartered in Madrid, Spain, Xstrata Zinc is one of the world's largest producers of zinc and one of the commodity business units within the major global diversified mining group Xstrata plc. Xstrata's zinc and lead operations and exploration projects are located in Australia, Canada, Germany, Peru, Spain and the United Kingdom.

Xstrata Zinc's operations in Spain comprise the San Juan de Nieva zinc smelter and the Arnao zinc semis plant in Asturias, and the Hinojedo roasting plant in Cantabria.

In Australia, operations comprise: the Mount Isa, George Fisher underground, Handlebar Hill open cut and Black Star open cut zinc-lead mines, zinc-lead concentrator, lead smelter and Bowen Coke Works in north Queensland; the McArthur River open pit zinc-lead mine, processing and loading facility in the Northern Territory; and the Lady Loretta zinc lead deposit in north-west Queensland.

In Canada, operations and exploration projects include the Brunswick zinc-lead mine and lead smelter in New Brunswick; 25% of the CEZ zinc smelter near Montreal; and the Perseverance zinc deposit in Quebec.

Xstrata Zinc also operates the Nordenham zinc smelter in northern Germany; the Northfleet lead refinery in the United Kingdom; and owns 33.75% of the Antamina mine in Peru.

Around half of all zinc currently consumed is used for galvanizing steel, which is an environmentally friendly method of protecting steel against corrosion. Zinc also finds application in the manufacture of die-cast alloys, brass and the production of zinc oxides and chemicals.

