



PRESS RELEASE

Xstrata Mount Isa Mines brings Virgin Australia to Isa

Mount Isa, 18 May

For the first time in 11 years, the north-west region will gain the benefit of a choice of two major airlines with Virgin Australia announcing it will commence competitive services between Mount Isa and Brisbane on 13 August 2012.

Xstrata Mount Isa Mines and Virgin have entered into a heads of agreement to support the new service that will see Virgin flying a 92-seat, Embraer E190 return from Mount Isa to Brisbane Monday to Friday.

Xstrata Copper North Queensland Chief Operating Officer Steve de Kruijff said the announcement comes after passenger numbers flying through Mount Isa Airport increased by 10% between March 2011 and March 2012 to almost 22,000 people.

"More competition in the skies is a benefit to the communities in the north-west region," Mr de Kruijff said.

"Xstrata has a high demand for flight services for contractors working on our many development projects expanding our operations as well as for business travel to and from our Brisbane head offices."

Mr de Kruijff said the announcement is also great news for employees and their families in Mount Isa.

"Research conducted with our people over the past few years found the cost of airfares was one of the most critical obstacles to their staying in Mount Isa.

"Now our people will be better able to plan for their holidays and events on their terms."

Virgin Australia General Manager Sales Justin Montgomery said the new services would benefit Mount Isa and regional communities greatly by providing choice on the route.

"Virgin Australia is proud to service the community of Mount Isa. These new services will bring a range of benefits including more competitive pricing, enhanced flight connections and a higher quality overall travel experience.

"The Mount Isa community will be able to connect with our growing network from Brisbane that includes more than 33 domestic cities and more than 400 international destinations," Mr. Montgomery said.

Mr de Kruijff thanked the other industry groups and bodies in the Mount Isa region that have joined them in voicing a need for a second airline to service Mount Isa.

"Organisations such as the Mount Isa Chamber of Commerce, our local representatives and the State Government should also be recognised for their tireless efforts in pursuing a second airline to come to Mount Isa," Mr de Kruijff said.

Xstrata will continue to use Qantas and Virgin services to help ensure Mount Isa has two reliable and competitive airlines.

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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

Xstrata Mount Isa Mines contacts:

Michelle Connolly

Telephone +61 7 4744 3144
Mobile +61 478 325 738
Email mconnolly@xstrata.com.au

Virgin Australia Melissa Thomson

Telephone +61 3295 5616
Mobile +61 408660891
Email Melissa.thomson@virginaustralia.com

www.xstrata.com

www.mountisamines.com.au

Notes to editors

About Xstrata plc

We are a major producer of a range of vital commodities used in everything from constructing buildings and delivering electricity, to developing jet engines and mobile phones. We are one of the top five global producers of copper, thermal and metallurgical coal, ferrochrome, zinc and nickel and we also produce silver, lead, platinum, gold, cobalt and vanadium.

Founded in 2002 and headquartered in Switzerland, we operate in over 20 countries and employ over 70,000 people at more than 100 operations and projects around the world. We work in a responsible and sustainable way, with an entrepreneurial spirit and dynamic approach. For more information, visit www.xstrata.com

About Xstrata Copper

We are the fourth largest global copper producer and one of the world's largest producers of smelter, refined and recycled copper, including from third party materials.

The copper we produce is essential to our modern society, being used extensively in electronic, consumer and building products, and with its use in green-technologies, anti-microbial applications and ability to be recycled, it is playing a vital role in our sustainable future.

Headquartered in Brisbane, Australia, we have operations and projects in eight countries and employ over 20,000 people. We play an essential role in the communities in which we live and work, by providing jobs, training, infrastructure, income for suppliers and support for social development. For more information, visit www.xstratacopper.com

About Xstrata Zinc

Headquartered in Madrid, Spain, we are one of the world's largest vertically integrated producers of zinc, with an annual production of about a million tons of mined zinc. We have operations in Australia, America, and Europe, including world-class mines and deposits in Northern and East Australia, Canada, Peru, and processing and refining facilities in Spain, Germany and the United Kingdom.

Zinc is a versatile material that plays a vital role in modern society. It is an essential nutrient in human health and very useful in crop yield improvement. Zinc in galvanizing protects steel against corrosion for its use in automobiles, buildings and others. It is also used for the production of zinc die-casting alloys, brass and oxide, and in manufacturing batteries and other electrical and consumer goods.

For more information, visit www.xstratazinc.com