



NEWS RELEASE

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Response to speculation

Zug, 2 February 2012

Xstrata plc ("Xstrata" or the "Company") confirms that it has received an approach from and is in discussions with Glencore International plc ("Glencore") regarding an all share merger of equals which may or may not lead to an offer being made by Glencore for Xstrata. There can be no certainty that any offer will be made.

In accordance with Rule 2.6(a) of the City Code on Takeovers and Mergers (the "Code"), Glencore is now required, by no later than 5:00 p.m. on 1 March 2012, to either announce a firm intention to make an offer for the Company in accordance with Rule 2.7 of the Code or announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. The deadline can be extended with the consent of the Panel in accordance with Rule 2.6(c) of the Code.

This announcement is being made with the agreement of Glencore. Any further announcement will be made as appropriate.

Ends

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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In accordance with Rule 2.10 of the Code, Xstrata confirms that, as of the date of this announcement, it has in issue 2,964,692,076 ordinary shares of US\$0.50 each (of which 28,428,786 are held by Batiss Investments Limited ("Batiss") pursuant to the Company's Equity Capital Management Programme). As regards ordinary shares held by Batiss, Batiss waives its right to receive dividends on, and does not exercise voting rights attaching to, ordinary shares held by it from time to time. The International Securities Identification Number ("ISIN") of the ordinary shares is GB0031411001 and the Swiss Security Number is 1386 215. Xstrata also has in issue 50,000 non-voting deferred shares of £1 nominal value each and 1 special voting share of US\$0.50 nominal value.

Disclosure requirements of the Code

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any paper offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any paper offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any paper offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a paper offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any paper offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any paper offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any paper offeror, save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a paper offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at www.thetakeoverpanel.org.uk, including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

A copy of this announcement will be available on Xstrata's website at www.Xstrata.com.

Notes to editors

About Xstrata plc

Xstrata is a major producer of a range of essential 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, Xstrata plc now operates in over 20 countries and employs over 70,000 people at more than 100 operations and projects around the world. For more information, visit www.xstrata.com